

SARA ELGI

SUPER



Super Spinning Mills Limited

**53rd Annual Report
2014-15**

SUPER



Super Spinning Mills Limited

CIN: L17111TZ1962PLC001200

Corporate Information

Executive Chairman

Managing Director

Board of Directors

Chief Financial Officer

Company Secretary

Auditors

Secretarial Auditor

Bankers

Registrar and Share Transfer Agent

Registered Office

Mr. Sumanth Ramamurthi

Mr. A S Thirumoorthy

Mr. D Sarath Chandran

Mr. Vijay Venkataswamy

Mr. C S K Prabhu

Mr. B Vijayakumar

Mr. Sudarsan Varadaraj

Mr. C G Kumar

Mrs. Suguna Ravichandran

Mr. N Hemanand

Mr. R Srikanth

M/s. Reddy, Goud & Janardhan

M D Selvaraj, MDS & Associates

Union Bank of India

State Bank of India

IDBI Bank

Andhra Bank

ICICI Bank

State Bank Of Hyderabad

Link Intime India Pvt. Ltd

“SURYA”, 35, Mayflower Avenue

Behind Senthil Nagar

Sowripalayam Road

Coimbatore – 641 028

Tel : (0422) 2314792

Fax : (0422) 2314792

E-mail : coimbatore@linkintime.co.in

“ELGI TOWERS”, PB 7113

Green Fields, 737-D

Puliakulam Road

Coimbatore – 641 045

Tamil Nadu

Tel : (0422) 2311711

Fax : (0422) 2311611

E-mail : investors@ssh.saraelgi.com

Internet : www.superspinning.com

Mills Location

A Unit : Kirikera, Andhra Pradesh

B Unit : Kotnur, Andhra Pradesh

C Unit : D-Gudalur, Tamil Nadu

Super Sara : Beerapalli, Andhra Pradesh

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Notice to the Members

Notice is hereby given that the **53rd Annual General Meeting** of the Company will be held on **Monday, the 14th September 2015 at 3.30 P.M** at Ardra Convention Centre, "Kaanchan", No.9, North Huzur Road, Coimbatore - 641 018, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited financial statements including Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Sumanth Ramamurthi (DIN 00002773), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the Auditors and to fix their remuneration and in this regard to pass the following resolution as an **Ordinary Resolution**:

Resolved that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 M/s. Reddy, Goud & Janardhan (Firm Registration No. 003254S) Chartered Accountants, Bangalore be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

Special Business

4. To ratify the remuneration payable to the Cost Auditors and in this regard to pass the following resolution as an **Ordinary Resolution**:

Resolved that pursuant to the Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to M/s. S Mahadevan & Co., (Firm Registration No.000007), Cost Accountants, appointed as Cost Auditors of the Company by the Board of Directors amounting to Rs.1,75,000/- (Rupees One Lakh Seventy Five Thousand Only) plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit of Cost Records of the Company for the financial year 2015-16 be and is hereby ratified.

Resolved further that the Board of Directors of the company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

Coimbatore
27th May, 2015

By order of the Board
Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

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. A PROXY FORM FOR THE AGM IS ENCLOSED.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Pursuant to Section 102 of the Companies Act, 2013 the statement setting out material facts and reasons for the proposed special business set out in item no. 4 above, is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the company will



remain closed from **8th September 2015** to **14th September 2015** (both days inclusive).

6. Details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange in respect of Director seeking re-appointment at the Annual General Meeting are furnished and forms integral part of the Notice. The Director have furnished the requisite consents/declarations for their re-appointment.
7. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA without any delay.
8. Members desirous of receiving any information on the accounts or operations of the Company are requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
9. The Company has transferred the amount of unclaimed dividends paid from 1995-96 to 2006-07 to the Investors Education and Protection Fund of the Central Government as required under Sections 205A and 205C of the Companies Act, 1956.
10. Pursuant to the provisions of Section 205 A(5) of the Companies Act, 1956 dividend remaining unclaimed for a period of 7 years has to be transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government in accordance with the provisions of Section 205 C of the Act. Any claim relating to the unclaimed dividend declared on 24th September 2008 for the financial year 2007-08, is due to transfer to IEPF on 28th October 2015. Members who have not encashed their dividend pertaining to the year 2007-08 should be made at the earliest to the company. Once the unclaimed dividends are transferred to the Investors Education and Protection Fund, the shareholders cannot claim the dividend thereafter from the Company.
11. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
12. The members are requested to forward their share transfer deed(s) and other communications directly to the Registrar and share transfer agent of the company M/s Link Intime India Pvt Ltd.
13. Copies of the Annual Report 2014-15, the Notice of the 53rd Annual General Meeting of the Company and instructions for e-voting along with the Attendance Slip and Proxy Form are being sent only through electronic mode to all the members whose e-mail addresses are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 are being sent through permitted mode.
14. Members may also note that the Notice of the 53rd Annual General Meeting and the Annual Report 2014-15 will be available on the Company's website www.superspinning.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours.
15. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares.
16. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company or to M/s Link Intime India Pvt Limited, "Surya", 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028.
- 17. Voting through electronic means:**
 1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to provide members facility to exercise their right to vote at the



53rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

2. The facility for voting, either through electronic voting system or polling paper, shall also be made available at the meeting and the members attending the meeting who have not already cast their votes by remote e-voting may exercise their vote through polling paper at the meeting.
3. The members who have cast their votes by remote e-voting, may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for members voting electronically are as under:-

- i) The voting period begins on **Friday, 11th September 2015 at 9.00 A.M** and ends on **Sunday, 13th September 2015 at 5.00 P.M.** During this period shareholders' of the Company holding shares either in physical form or in dematerialized form as on the cut-off date (record date) of 7th September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com
- iii) Click on Shareholders
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID/Folio Number in the Dividend Bank details field as mentioned in instruction (iv)

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

- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they



are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN of "Super Spinning Mills Limited".
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for non-individual shareholders and custodians
 - Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com

- After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQ's") and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com.
4. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 7th September 2015.
5. Mr M D Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
6. The Scrutinizer shall immediately after the conclusion of the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
7. The Results shall be declared within 3 days of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizers Report shall be placed on the Company's website www.superspinning.com and on the website of CDSL within three (3) days of the passing of the resolution at the Annual General Meeting of the Company and communicated to the Stock Exchanges where the Company's shares are listed.



Statement pursuant to Section 102 of the Companies Act, 2013:

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the company for the financial year 2015-16.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the shareholders of the company.

Accordingly, the consent of the members is sought for passing an ordinary resolution as set out at item no. 4 of the notice, for ratification of the remuneration payable to the cost auditor for the financial year 2015-16.

None of the Directors or Key Managerial Personnel of the company or their relatives is concerned or interested, in the resolution set out at item no. 4.

By Order of the Board

Sumanth Ramamurthi

Executive Chairman

DIN : 00002773

Coimbatore
27th May 2015

Details of Director seeking re-appointment (in pursuance of clause 49(VIII)(E) of the Listing Agreement:

The information relating to the directors proposed to be appointed is given hereunder.

Name	Mr. Sumanth Ramamurthi
DIN	00002773
Age	55 Years
Qualification	B.S – Electrical Engineering
Expertise	More than three decades of experience in the fields of Textile and Engineering Industry
Number of Shares Held	8773860
Director of the Company Since	22.02.1992
Relationship with other Directors	NIL
Directorships Held	Kakatiya Textiles Ltd Precot Meridian Ltd Elgi Electric And Industries Ltd Elgi Ultra Industries Ltd Sara Elgi Industries Ltd Super Farm Products Private Ltd Elgi Building Products Ltd Super Sara Textiles Ltd Sara Elgi Arteriors Ltd
Member of Committees	Stakeholders Relationship Committee Kakatiya Textiles Ltd Audit Committee Elgi Building Products Ltd



Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 53rd Annual Report of the Company along with audited financial statements for the year ended 31st March, 2015.

Financial Highlights:

The summary of the financial performance of the Company for the year ended 31st March 2015 is as follows. (₹ lakhs)

Particulars	31.03.2015	31.03.2014
Revenue from operations	44,050	52,120
Total Revenue	44,635	52,623
Earnings before Finance cost, Depreciation & Tax	1,626	4,373
Less: Finance cost	2,304	2,380
Earnings before Depreciation & Tax	(678)	1,993
Less: Depreciation & Amortisation	1,037	1,511
Profit before Tax	(1,715)	482
Less: Current & Deferred Tax	(541)	150
Less: Adjustment for earlier years	-	-
Profit after tax	(1,174)	332
Add: Balance brought forward	(3,369)	(3,701)
Profit available for appropriations and carry forward	(4,543)	(3,369)

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Conditions and Review of Operations

The cotton textile industry in India had to contend with major challenges during the year. Yarn prices remained depressed on lower demand in both the export as well as the domestic markets even though the cotton prices were lower compared to earlier years. The policy changes by Chinese Government on usage of their cotton reserves and reduction of import of cotton made a major impact on cotton yarn exports and hence on the yarn price. Though, the policy of stocking by Cotton Corporation of India to support Indian farmers to realize Minimum Support prices fixed by Government had arrested significant decline in cotton prices, cotton yarn exports from India were not competitive due to lower cotton prices internationally. Excess capacities and

significant erosion in margins due to severe competition have had a negative impact on the profitability of the industry.

Consequently, the operations of your company also came under severe strain during the year under review resulting in lower sales and losses. Sale of yarn and price realization in both the domestic and export markets have been lower this year by nearly 10% on account of poor demand for yarn and fabrics.

Company Outlook

During the current year the cotton production in India is expected to decline by around 5% due to decline in cotton prices as farmers may shift to alternate crops. Though the cotton availability in India is expected to remain comfortable and further improve from that of previous year 2014-15 with higher carry forward stock and decline in export of cotton to China, there will be an impact on quantity and quality cotton being produced in current cotton year due to anticipation of a below normal monsoon. The cotton prices are expected to be subdued since Chinese Government is planning to dilute their stock reserves and decline in manmade fibre prices due to lower crude oil prices internationally. The policy of stocking by Cotton Corporation of India will continue to have an impact on cotton prices and competitiveness of cotton yarn exports from India.

The target of new Government to improve the industry production and GDP to 8% may improve the cotton yarn demand in the second half of current year. Lower crude oil prices and initiatives by RBI to reduce the lending rates due to significant decline in inflation rates will improve the economic condition of the country. Measures are being taken to save costs and rationalize operations, which are likely to yield positive results.

Opportunities, Risks and Concerns

The formation of a stable government at the centre is expected to boost consumer confidence, which will in turn improve demand for textile products. However, competition from other exporting countries with lower cotton cost and significant strengthening of the Indian Rupee against the US Dollar may affect the profitability. Lack of availability of quality manpower in Andhra Pradesh and Tamil Nadu where the units are located are having significant impact on utilization of capacity at the optimum level. The operating margins are also under pressure due to input cost increase towards Electricity and manpower.



Dividend

Due to losses incurred by the Company during the year under review the Directors have not recommended any Dividend for the year ended 31st March 2015.

Transfer to Reserves

Due to losses incurred by the Company during the year under review the company is unable to transfer any amount to its reserves.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

In terms of Section 205A & 205C of the Companies Act, 1956, an amount of ₹ 6,42,276/- being unclaimed dividend (2006-07) was transferred during the year to the Investor Education and Protection Fund established by the Central Government. The unclaimed dividend for the year 2007-08 is due for remittance on 28th October 2015 to the Investors Education and Protection Fund during this year.

Share Capital

The issued, subscribed and paid-up share capital of the Company as at 31.03.2015 stood at ₹ 5,50,00,000/- divided into 5,50,00,000 equity shares of ₹ 1/- each. During the year under review the Company has not made any fresh issue of shares.

Extract of Annual Return

The extract of Annual Return in the prescribed Form No.MGT-9 pursuant to Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished as **Annexure 1** and is attached to this Report.

Board Meetings Conducted During the Period under Review

The Company had conducted Four (4) Board meetings during the period under review. Further details on the Board and Committee meetings held during the year have been enumerated in the Corporate Governance Report which is annexed to this report.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from those standards;

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration of Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under both the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Company's Policy Relating to Directors Appointment, Payment of Remuneration and other matters provided Under Section 178(3) of the Companies Act, 2013.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure 2** and is attached to this report and can also be accessed on the Company's website at the link <http://www.superspinning.com/wp-content/uploads/2015/07/Nomination-and-Remuneration-Policy.pdf>.

Auditors' Report

There were no qualifications, reservations, adverse remarks or disclaimers made by the M/s.Reddy, Goud and Janardhan, Statutory Auditors and Mr.M.D.Selvaraj of MDS & Associates, Secretarial Auditor in their report.



Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013

The Company has not granted any loans or given any security or made any investments pursuant to the provisions of Section 186 of the Companies Act, 2013 during the year under review. However, the details in respect of investments made by the Company in the earlier years is disclosed in the notes to the financial statements.

Particulars of contracts or arrangements with Related Parties

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year 2014-15 were in the ordinary course of business and on an arm's length basis. Since there are no transactions which are not on arm's length basis and material in nature the requirement of disclosure of such related party transactions in Form AOC-2 does not arise.

The policy on related party transactions as approved by the Board of Directors of the Company has been uploaded on the company's website and may be accessed through the link at <http://www.superspinning.com/wp-content/uploads/2015/01/Policy-on-Related-Party-Transactions.pdf>.

Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which has occurred between the financial year ended 31st March, 2015 and the date of the report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached herewith as **Annexure 3** to this report.

Statement concerning development and implementation of Risk Management Policy of the Company

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on

the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.

Whistle Blower Policy (Vigil Mechanism)

The details of the composition of the Audit Committee have been enumerated in the Corporate Governance Report which forms a part of the Board's report. The Company has formulated a whistle blower policy in line with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the listing agreement to enable the directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The policy also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower policy has been uploaded on the company's website and may be accessed through the link at <http://www.superspinning.com/wp-content/uploads/2015/01/Whistleblower-Policy.pdf>.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility initiatives

The Board has constituted a Corporate Social Responsibility Committee comprising of the following directors as its members;

- | | |
|---------------------------|------------|
| 1. Mr. C S K Prabhu | - Chairman |
| 2. Mr. Sumanth Ramamurthi | - Member |
| 3. Mr. A.S.Thirumoorthy | - Member |

The company has adopted a Corporate Social Responsibility Policy defining therein the CSR activities to be undertaken by the Company in line with the provisions of Schedule VII of the Companies Act, 2013.

The Corporate Social Responsibility Committee of the Board is responsible for the implementation and effective monitoring of the CSR activities of the Company.

The Company was however not required to incur any expenditure on the CSR initiatives during the year under review as the average net profits of the preceeding three financial years of the company was in the negative.

The Annual Report on Company's CSR activities of the Company is furnished in the prescribed format as **Annexure 4** and attached to this report.



Report on Corporate Governance

Annual evaluation of the Board on its own performance and of the Individual Directors

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The performance of each Independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.

Directors & Key Managerial Personnel

During the year under review, the Members have approved the appointment of Mr. C.S.K. Prabhu, Mr.B.Vijayakumar, Mr.Sudarsan Varadaraj, Mr.Vijay Venkataswamy, Mr.C.G. Kumar and Mrs.Suguna Ravichandran as the Independent Directors of the Company for a period of 5 years.

The Members at the Annual General Meeting held on 10th September 2014 approved the appointment of Mr.Sumanth Ramamurthi and Mr.A.S.Thirumoorthy as the Executive Chairman and the Managing Director respectively with effect from 1st April 2014.

Mr.N.Hemanand was appointed as the Chief Financial Officer of the Company with effect from 1st April 2014.

Mr.Sumanth Ramamurthi, Executive Chairman of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Your Directors recommend his re-appointment.

Subsidiaries, Joint Ventures and Associate Companies

The Company has two subsidiaries namely M/s.Sara Elgi Arteriors Limited – a wholly owned subsidiary

and M/s.Elgi Building Products Limited – step down subsidiary.

A report containing the salient features of the subsidiaries as required under Section 129(3) of the Companies Act, 2013 has been annexed herewith in Form AOC-1 and is attached as **Annexure 5** to this report

The company does not have any material subsidiaries whose individual transactions exceeds 20% of the annual consolidated net worth of the holding company as per the last audited financial statements of the Company. The policy on determination of material subsidiaries of the company as approved by the Board of Directors has been uploaded on the website of the Company and can be accessed at the link <http://www.superspinning.com/wp-content/uploads/2015/01/Policy-on-Subsidiaries.pdf>.

The consolidated financial statements of the company and its subsidiaries have prepared in accordance with the applicable accounting standards have been annexed to the Annual Report.

The annual accounts of the subsidiary companies are posted on the website of the Company viz. www.superspinning.com and will also be kept open for inspection by any shareholder at the Registered Office of the Company. The Company shall also provide the copy of the annual accounts of subsidiary companies to the shareholders upon their request.

Fixed Deposits

Since the Company has not accepted any fixed deposits covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March 2015 and accordingly, the question of default in repayment of deposits or payment of interest thereon, during the year, does not arise.

Details of Significant and Material orders passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operation in future

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

Internal Control Systems and their Adequacy

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The Company periodically reviews the adequacy and effectiveness of the control systems.



The Audit committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the company, recommendations made for corrective action and the internal audit reports. The committee reviews with the statutory auditors and the management, key issues, significant processes and accounting policies.

AUDITORS

Statutory Auditors

M/s.Reddy, Goud & Janardhan, Chartered Accountants, Bangalore retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Audit Committee & the Board of Directors recommend the re-appointment of M/s. Reddy, Goud & Janardhan, Chartered Accountants as the Statutory Auditors of the Company. Further, company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.M.D.Selvaraj, MDS & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The report of the Secretarial report is annexed herewith as **Annexure 6** to this report.

Cost Auditors

The Board of Directors on the recommendation of the Audit Committee, have appointed M/s.S.Mahadevan & Co., Cost Accountants, as the Cost Auditors of the company for the financial year 2015-16.

Pursuant to Section 148 of the Companies Act 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is subject to the approval of the members in a general meeting. The Board recommends the ratification of their remuneration.

Pursuant to Section 209(1)(d) of the Companies Act, 1956, the Cost Audit Report for the financial year ended 31st March 2014 was submitted to the Central Government on 29th September 2014.

Particulars of Employees

The disclosure 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, is annexed herewith as **Annexure 7** and is attached to this report.

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than ₹ 60,00,000/- if employed throughout the year or ₹ 5,00,000/- per month if employed for part of the year.

Corporate Governance

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of Corporate Governance, Management Discussion and Analysis statement forms part of the Annual Report.

Disclosure under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy on Sexual Harassment of Women at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The company has constituted an internal complaints committee to address the complaints regarding sexual harassment. All employees are covered under this policy. The company has received some complaints and all the complaints are properly settled after conducting inquiry.

Personnel Relations

Staff and Labour relations during the year at all units of the company continued to be cordial.

Acknowledgements

Your Directors wish to thank the Company's Bankers, Financial Institutions, Customers and Suppliers for their unstinted support and co-operation.

Your Directors wish to place on record their appreciation of the confidence reposed by the shareholders in the Company at all times.

The Board of Directors also wishes to thank the employees at all levels for their excellent support and contribution made by them.

By Order of the Board

Sumanth Ramamurthi

Executive Chairman

DIN: 00002773

Coimbatore
27th May 2015

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2015.

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L17111TZ1962PLC001200
ii) Registration Date	06.06.1962
iii) Name of the Company	Super Spinning Mills Limited
iv) Category / Sub-category of the Company	Public Limited Company / Limited by Shares
v) Address of the Registered Office and Contact Details	'Elgi Towers', PB 7113, Green Fields 737-D, Puliakulam Road, Coimbatore – 641 045 Tel : 0422-2311711 Fax : 0422-2311611 E-mail : investors@ssh.saraelgi.com Website : www.superspinning.com
vi) Whether Listed Company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agents, if any	Link Intime India Private Limited Coimbatore Branch "Surya", 35, Mayflower Avenue Senthil Nagar, Sowripalayam Road Coimbatore - 641028. Email: coimbatore@linkintime.co.in Phone: 0422-2318780 Fax : 0422-2314792

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No	Name and Description of main products/ services	NIC Code of the Product/service	% to Total turnover of the company
1	Cotton Yarn	13111	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of The Company	CIN/GLN	Holding /Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Sara Elgi Arteriors Ltd 'Elgi Towers', P.B 7113, Green Fields, 737-D, Puliakulam Road, Coimbatore – 641 045	U28111TZ2003PLC010797	Subsidiary	100%	2(87)
2	Elgi Building Products Ltd 'Elgi Towers', P.B 7113, Pappanaickenpalayam Road, Puliakulam, Coimbatore – 641 045	U45201TZ1996PLC007037	Subsidiary*	41.68%	2(87)

Note:* M/s.Elgi Building Products Limited is the step down subsidiary of the company.


IV. 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 (As on 1-April-2014)				No. of Shares held at the end of the year (As on 31-March-2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	18379730	–	18379730	33.42	18379730	–	18379730	33.42	–
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	3585000	–	3585000	6.52	3585000	–	3585000	6.52	–
e) Banks / FI									
f) Any other-Trust	1351410	–	1351410	2.46	1362910	–	1362910	2.47	0.01
Sub- Total (A)(1)	23316140	–	23316140	42.39	23327640	–	23327640	42.41	0.01
(2) Foreign									
a) NRIs- Individuals	–	–	–	–	–	–	–	–	–
b) Others- Individual	–	–	–	–	–	–	–	–	–
c) Bodies corporate	–	–	–	–	–	–	–	–	–
d) Banks/ FI	–	–	–	–	–	–	–	–	–
e) Any other...	–	–	–	–	–	–	–	–	–
Sub- Total (A)(2)	–	–	–	–	–	–	–	–	–
Total shareholding of promoter (A) = (A) (1)+(A)(2)	23316140	–	23316140	42.39	23327640	–	23327640	42.41	0.01
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1470	–	1470	–	1470	–	1470	–	–
b) Banks / FI	–	–	–	–	–	–	–	–	–
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	1000	1000	–	–	1000	1000	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1):-	1470	1000	2470	–	1470	1000	2470	–	–



2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3760943	18000	3778943	6.87	3785012	–	3785012	6.88	0.01
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18295742	1581245	19876987	36.14	19236011	1475810	20711821	37.66	1.52
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5714491	380820	6095311	11.08	5007636	380820	5388456	9.80	(1.28)
c) Others									
i) Clearing Member	224568	–	224568	0.41	127054	–	127054	0.23	(0.18)
ii) NRI	228138	–	228138	0.41	252461	–	252461	0.46	0.05
iii) HUF	432867	–	432867	0.79	390944	–	390944	0.71	(0.08)
iv) Market Maker	5146	–	5146	0.01	5502	–	5502	0.01	–
v) Any other	–	1039430	1039430	1.89	1008640	–	1008640	1.83	(0.06)
Sub-total (B)(2):-	28661895	3019495	31681390	57.60	29795260	1874630	31669890	57.58	(0.02)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	28663365	3020495	31683860	57.61	29796730	1875630	31672360	57.58	(0.02)
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	51979505	3020495	55000000	100	53124370	1875630	55000000	100	–

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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	Sumanth .R	8668220	15.76	—	8773860	15.95	—	0.19
2	Sumanth R (Huf)	650000	1.18	—	650000	1.18	—	—
3	Hemalatha R	208000	0.38	—	208000	0.38	—	—
4	Nikil Govind Ramamurthi	4000000	7.27	—	4000000	7.27	—	—
5	Sanjay Krishna Ramamurthi	4000000	7.27	—	4000000	7.27	—	—
6	Ranaganayaki N	314670	0.57	—	314670	0.57	—	—
7	Ajey Vel Narayanaswamy	2500	—	—	2500	—	—	—
8	N Krishna Samraj	8000	0.01	—	8000	0.01	—	—
9	Nithya Vidyaprakash	92560	0.17	—	92560	0.17	—	—
10	Chitra Vidyaprakash	157670	0.29	—	157670	0.29	—	—
11	Arjun Prakash V	22280	0.04	—	22280	0.04	—	—
12	Indiralakshmi Vidyaprakash	46190	0.08	—	46190	0.08	—	—
13	D Vidyaprakash	76330	0.14	—	76330	0.14	—	—
14	Nivedita Lakshmi Narayanaswamy	27670	0.05	—	27670	0.05	—	—
15	Nikil Govind Ramamurthi Family Trust	676500	1.23	—	681800	1.24	—	0.01
16	Sanjay Krishna Ramamurthi Family Trust	674910	1.23	—	681110	1.24	—	0.01
17	Super Farm Products P. Ltd	170000	0.31	—	2820000	5.13	—	4.82
18	Elgi Electric and Industries Ltd	765000	1.39	—	765000	1.39	—	—
19	Sara Elgi Insurance Advisory Services Pvt. Ltd	1600000	2.91	—	—	—	—	(2.91)
20	Sara Elgi Industrial Research & Development Ltd	1050000	1.91	—	—	—	—	(1.91)
21	Ramamurthi L G	105640	0.19	—	—	—	—	(0.19)
	Total	23316140	42.39	—	23327640	42.41	—	0.02


iii) Change in Promoters' Shareholding

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	SUMANTH R				
	At the beginning of the year	8668220	15.76	8668220	15.76
	Transmission of shares as on 29.08.2014	105640	0.19	8773860	15.95
	At the end of the year	8773860	15.95	8773860	15.95
2	SUMANTH R (HUF)				
	At the beginning of the year	650000	1.18	650000	1.18
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	650000	1.18	650000	1.18
3	HEMALATHA R				
	At the beginning of the year	208000	0.38	208000	0.38
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	208000	0.38	208000	0.38
4	NIKHIL GOVIND RAMAMURTHI				
	At the beginning of the year	4000000	7.27	4000000	7.27
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	4000000	7.27	4000000	7.27
5	SANJAY KRISHNA RAMAMURTHI				
	At the beginning of the year	4000000	7.27	4000000	7.27
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	4000000	7.27	4000000	7.27
6	RANGANAYAKI N				
	At the beginning of the year	314670	0.57	314670	0.57
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	314670	0.57	314670	0.57
7	AJEY VEL NARAYANASWAMY				
	At the beginning of the year	2500	-	2500	-
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	2500	-	2500	-
8	N KRISHNA SAMRAJ				
	At the beginning of the year	8000	0.01	8000	0.01
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	8000	0.01	8000	0.01



9	NITHYA VIDYAPRAKASH				
	At the beginning of the year	92560	0.17	92560	0.17
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	92560	0.17	92560	0.17
10	CHITRA VIDYAPRAKASH				
	At the beginning of the year	157670	0.29	157670	0.29
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	157670	0.29	157670	0.29
11	ARJUN PRAKASH V				
	At the beginning of the year	22280	0.04	22280	0.04
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	22280	0.04	22280	0.04
12	INDIRALAKSHMI VIDYAPRAKASH				
	At the beginning of the year	46190	0.08	46190	0.08
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	46190	0.08	46190	0.08
13	D VIDYAPRAKASH				
	At the beginning of the year	76330	0.14	76330	0.14
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	76330	0.14	76330	0.14
14	NIVEDITA LAKSHMI NARAYANASWAMY				
	At the beginning of the year	27670	0.05	27670	0.05
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	27670	0.05	27670	0.05
15	RAMAMURTHI L.G.				
	At the beginning of the year	105640	0.19	105640	0.19
	Transmission as on 29.08.2014	(105640)	(0.19)	-	-
	At the end of the year	-	-	-	-
16	NIKHIL GOVIND RAMAMURTHI FAMILY TRUST				
	At the beginning of the year	676500	1.23	676500	1.23
	Transfer of shares as on 25.04.2014	5300	0.01	681800	1.24
	At the end of the year	681800	1.24	681800	1.24



17	SANJAY KRISHNA RAMAMURTHI FAMILY TRUST				
	At the beginning of the year	674910	1.23	674910	1.23
	Transfer of shares as on 25.04.2014	6200	0.01	681110	1.24
	At the end of the year	681110	1.24	681110	1.24
18	SUPER FARM PRODUCTS LTD				
	At the beginning of the year	170000	0.31	170000	0.31
	Transfer pursuant to Scheme of Amalgamation as on 13.06.2014	1050000	1.91	1220000	2.22
	Transfer pursuant to Scheme of Amalgamation as on 20.06.2014	1600000	2.91	2820000	5.13
	At the end of the year	2820000	5.13	2820000	5.13
19	SARA ELGI INSURANCE ADVISORY SERVICES PVT. LIMITED				
	At the beginning of the year	1600000	2.91	1600000	2.91
	Transfer pursuant to Scheme of Amalgamation as on 20.06.2014	(1600000)	(2.91)	-	-
	At the end of the year	-	-	-	-
20	ELGI ELECTRIC AND INDUSTRIES LIMITED				
	At the beginning of the year	765000	1.39	765000	1.39
	Increase / Decrease in Promoters Shareholding during the year	-	-	-	-
	At the end of the year	765000	1.39	765000	1.39
21	SARA ELGI INDUSTRIAL RESEARCH AND DEVELOPMENT LTD				
	At the beginning of the year	1050000	1.91	1050000	1.91
	Transfer pursuant to Scheme of Amalgamation as on 13.06.2014	(1050000)	(1.91)	-	-
	At the end of the year	-	-	-	-

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GAGANDEEP CREDIT CAPITAL PVT LTD				
	At the beginning of the year	1400000	2.55	1400000	2.55
	Increase /Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1400000	2.55	1400000	2.55

2	NEMISH S SHAH				
	At the beginning of the year	760500	1.38	760500	1.38
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	760500	1.38	760500	1.38
3	VINODCHANDRA MANSUKHLAL PAREKH				
	At the beginning of the year	702692	1.28	702692	1.28
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	702692	1.28	702692	1.28
4	GAYATHRI BALAJI				
	At the beginning of the year	693393	1.26	693393	1.26
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	693393	1.26	693393	1.26
5	MENTOR CAPITAL LIMITED				
	At the beginning of the year	340000	0.62	340000	0.62
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	340000	0.62	340000	0.62
6	URJITA J MASTER				
	At the beginning of the year	305440	0.56	305440	0.56
	Transfer of shares as on 02.05.2014	(1000)	(0.00)	304440	0.55
	Transfer of shares as on 23.05.2014	(5000)	(0.01)	299440	0.54
	Transfer of shares as on 13.06.2014	(4000)	(0.01)	295440	0.54
	Transfer of shares as on 20.06.2014	(4000)	(0.01)	291440	0.53
	Transfer of shares as on 30.06.2014	(4000)	(0.01)	287440	0.52
	Transfer of shares as on 04.07.2014	(1000)	(0.00)	286440	0.52
	Transfer of shares as on 11.07.2014	(1100)	(0.00)	285340	0.52
	Transfer of shares as on 25.07.2014	(4000)	(0.01)	281340	0.51
	Transfer of shares as on 08.08.2014	(8840)	(0.02)	272500	0.50
	Transfer of shares as on 15.08.2014	(11453)	(0.02)	261047	0.47
	Transfer of shares as on 22.08.2014	(2500)	(0.00)	258547	0.47
	Transfer of shares as on 29.08.2014	(2000)	(0.00)	256547	0.47
	Transfer of shares as on 05.09.2014	(2500)	(0.00)	254047	0.46
	Transfer of shares as on 12.09.2014	(2000)	(0.00)	252047	0.46
	Transfer of shares as on 19.09.2014	(2000)	(0.00)	250047	0.45
	Transfer of shares as on 10.10.2014	(3047)	(0.01)	247000	0.45
	Transfer of shares as on 17.10.2014	(3500)	(0.01)	243500	0.44
	Transfer of shares as on 24.10.2014	(2500)	(0.00)	241000	0.44
	Transfer of shares as on 31.10.2014	(1000)	(0.00)	240000	0.44
	Transfer of shares as on 07.11.2014	(1000)	(0.00)	239000	0.43
	Transfer of shares as on 14.11.2014	(310)	(0.00)	238690	0.43
	Transfer of shares as on 05.12.2014	(1690)	(0.00)	237000	0.43
	Transfer of shares as on 12.12.2014	(7000)	(0.01)	230000	0.42



	Transfer of shares as on 02.01.2015	(400)	(0.00)	229600	0.42
	Transfer of shares as on 23.01.2015	(300)	(0.00)	229300	0.42
	Transfer of shares as on 30.01.2015	(100)	(0.00)	229200	0.42
	Transfer of shares as on 27.02.2015	(2500)	(0.00)	226700	0.41
	Transfer of shares as on 06.03.2015	(3700)	(0.01)	223000	0.41
	At the end of the year	223000	0.41	223000	0.41
7	SUNIL KUMAR GUPTA **				
	At the beginning of the year	300000	0.55	300000	0.55
	Transfer of shares as on 30.06.2014	(30282)	(0.06)	269718	0.49
	Transfer of shares as on 18.07.2014	(300)	(0.00)	269418	0.49
	Transfer of shares as on 08.08.2014	(9418)	(0.02)	260000	0.47
	Transfer of shares as on 31.10.2014	(367)	(0.00)	259633	0.47
	Transfer of shares as on 07.11.2014	(9633)	(0.02)	250000	0.45
	Transfer of shares as on 14.11.2014	(44100)	(0.08)	205900	0.37
	Transfer of shares as on 21.11.2014	(5158)	(0.01)	200742	0.37
	Transfer of shares as on 28.11.2014	(742)	(0.00)	200000	0.36
	Transfer of shares as on 13.02.2015	(36727)	(0.07)	163273	0.30
	Transfer of shares as on 20.02.2015	(8905)	(0.02)	154368	0.28
	Transfer of shares as on 06.03.2015	(24368)	(0.04)	130000	0.24
	Transfer of shares as on 13.03.2015	(1435)	(0.00)	128565	0.23
	At the end of the year	128565	0.23	128565	0.23
8	S.SUNDARAVATHANEN				
	At the beginning of the year	299530	0.55	299530	0.55
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	299530	0.55	299530	0.55
9	DR.JAIRAM VARADARAJ				
	At the beginning of the year	230870	0.42	230870	0.42
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	230870	0.42	230870	0.42
10	SANJEEV VINODCHANDRA PAREKH				
	At the beginning of the year	221769	0.40	221769	0.40
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	221769	0.40	221769	0.40
11	SHRUTI MAYANK SHAH ##				
	At the beginning of the year	215710	0.39	215710	0.39
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	215710	0.39	215710	0.39

** Ceased to be in the list of Top 10 shareholder as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 share holder as on 31.03.2014.

Not in the list of Top 10 shareholders as on 31.03.2014. The same is reflected above since the share holder is one of the Top 10 share holders as on 31.03.2015


v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Director and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUMANTH RAMAMURTHI*				
	At the beginning of the year	9318220	16.94	9318220	16.94
	Transmission of shares 29.08.2014	105640	0.19	8773860	15.95
	At the end of the year	9423860	17.13	9423860	17.13
2	A S THIRUMOORTHY				
	At the beginning of the year	–	–	–	–
	Transfer of shares as on 30.05.2014	5000	0.01	5000	0.01
	At the end of the year	5000	0.01	5000	0.01
3	SARATH CHANDRAN D **				
	At the beginning of the year	11710	0.02	11710	0.02
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	11710	0.02	11710	0.02
4	B VIJAY VENKATASWAMY				
	At the beginning of the year	5000	0.01	5000	0.01
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	5000	0.01	5000	0.01
5	C S K PRABHU				
	At the beginning of the year	5000	0.01	5000	0.01
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	5000	0.01	5000	0.01
6	B VIJAYAKUMAR				
	At the beginning of the year	6670	0.01	6670	0.01
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	6670	0.01	6670	0.01
7	SUDARSAN VARADARAJ				
	At the beginning of the year	72810	0.13	72810	0.13
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	72810	0.13	72810	0.13
8	SUGUNA RAVICHANDRAN				
	At the beginning of the year	-	-	-	-
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

9	C G KUMAR				
	At the beginning of the year	-	-	-	-
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
10	N HEMANAND				
	At the beginning of the year	-	-	-	-
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
11	R SRIKANTH				
	At the beginning of the year	-	-	-	-
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

*including 650000 shares held in HUF ** including 6500 shares held in HUF

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13892.12	35.00	-	13927.12
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	107.95	-	-	107.95
TOTAL	14000.07	35.00	-	14035.07
Change in indebtedness during the financial year				
Additions	-	-	-	-
Reductions	1439.32	6.55	-	1445.87
Net Change	(1439.32)	(6.55)	-	(1445.87)
Indebtedness at the end of the financial year				
i) Principal Amount	12484.96	28.45	-	12513.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	75.79	-	-	75.79
Total (i+ii+iii)	12560.75	28.45	-	12589.20

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

S.No	Particulars of Remuneration	Name of MD/WTD/Managers		Total Amount
		Sumanth Ramamurthi	A S Thirumoorthy	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.00	48.00	84.00
	(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	--	--	-

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

(₹ in lakhs)

S.No	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.25	10.74	16.99
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission - as a % of Profit	---	---	---
	- Others	---	---	---
5	Others, please specify	---	---	---
	Total	6.25	10.74	16.99

VII. Penalties / Punishment/ Compounding of offences:

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

By Order of the Board

Sumanth Ramamurthi

Executive Chairman

DIN : 00002773

Coimbatore
27th May 2015

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the textile industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 28th May, 2014.

Effective Date:

This policy shall be effective from 1st April, 2014

Definitions

- Board means Board of Directors of the Company.
- Directors mean Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) means-
 - (i) Executive Chairman and / or Managing Director;
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional head. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Constitution of the Nomination and Remuneration Committee:

The Remuneration Committee was constituted on 31st July 2008 consisting of four Independent Directors. The Board has changed the nomenclature of Remuneration Committee constituted by renaming it as Nomination and Remuneration Committee on 28th May, 2014.

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

Role of Committee

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) to recommend to the Board the appointment and removal of Senior Management
- c) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- g) to devise a policy on Board diversity;
- h) to develop a succession plan for the Board and to regularly review the plan;

Membership

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required.

Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
-



- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board.
- Considering any other matters as may be requested by the Board

REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members or the Secretary of the Committee
- to consider any other matters as may be requested by the Board;
- Professional indemnity and liability insurance for Directors and senior management.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded by way of minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Annexure 3

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy

Conservation of energy continues to receive increased emphasis at all the units of the Company. Department wise power consumption being measured, monitored and compared and corrective actions are being taken on regular basis.

B. Technology Absorption, Adaptation, Innovation and Research and Development.

The company has not incurred any expenditure towards Research and Development activities during the year under review.

C. Foreign Exchange Earnings and outgo

Total foreign exchange earned during the year was ₹13,332.78 lakhs and outflow of foreign exchange earnings amounted to ₹ 2602.60 Lakhs resulting in net foreign exchange earnings of ₹ 10,730.18 lakhs.

By Order of the Board

Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

Annual Report on Corporate Social Responsibility (CSR) Activities

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.

The Company has framed a Corporate Social Responsibility Policy with intent on improving the welfare of the people by providing education and basic sanitation facilities to the impoverished classes of people. Besides improving welfare, the policy framed in accordance with Schedule VII of the Companies Act, 2013 also focuses on environmental sustainability and preservation of national heritage, art and culture. The company also intends to promote sports among the rural masses through its various initiatives. The detailed policy on the Corporate Social Responsibility has been posted on the website of the Company and can be accessed at the link <http://www.superspinning.com/wp-content/uploads/2015/05/CorporateSocialRespPolicy.pdf>

2. Composition of CSR Committee

The CSR Committee of the Board of Directors has been constituted with the following directors as its members:

- Mr. C S K Prabhu - Chairman
- Mr. Sumanth Ramamurthi - Member
- Mr. A.S. Thirumoorthy - Member

3. Average Net Profit of the Company for last three Financial Years:

There was an average net loss for the immediately preceding three financial years.

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)

The Company was not required to spend on the Corporate Social Responsibility activities as the average net profits of the preceding three financial years of the Company was in the negative.

5. Details of CSR spent during the Financial Year 2014-15

a) Total amount to be spent for the financial year

The Company was not required to spend any amount on CSR activities.

b) Amount unspent, if any;

Nil

c) Manner in which the amount spent during the financial year is detailed below:

As the company was not required to spend any amount on CSR expenses the disclosure with regard to the manner in which the amount was spent during the financial year does not arise.

6. Reasons for not spending an amount equal 2% of the Average Net Profits of the last three financial years:

The Company was not required to spend on the Corporate Social Responsibility activities as the average net profits of the preceding three financial years of the Company was in the negative

7. Responsibility statement of the CSR Committee:

The CSR Committee confirms that the implementation and governance of CSR Programs have been elaborated in the Company's CSR policy. The CSR Committee further confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and policy of the Company.

Coimbatore
27th May 2015

A S Thirumoorthy
Managing Director
DIN: 03604474

C S K Prabhu
Chairman of CSR Committee
DIN : 00002913

**Form AOC-1**

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiary

S. No.	Particulars	Details	
1.	Name of the subsidiary	Sara Elgi Arteriors Limited	Elgi Building Products Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	The reporting period of the subsidiary is same as that of the holding company	The reporting period of the subsidiary is same as that of the holding company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
4.	Share capital	250.00	1469.60
5.	Reserves & Surplus	350.23	(833.43)
6.	Total assets	733.16	790.85
7.	Total Liabilities	733.16	790.85
8.	Investments	293.75	-
9.	Turnover	435.50	221.12
10.	Profit before taxation	9.28	(5.11)
11.	Provision for taxation	3.75	(1.50)
12.	Profit after taxation	5.53	(3.62)
13.	Proposed Dividend	-	-
14.	% of shareholding	100%	41.68%

Notes:

There are no subsidiaries which are yet to commence operations or have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

The Company does not have any associate companies or joint ventures and hence the disclosure pursuant to Section 129(3) of the Companies Act, 2013 with regard to Associate Companies and Joint Ventures does not arise.

By Order of the Board

Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

Coimbatore
27th May 2015

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
Super Spinning Mills Limited
(CIN: L17111TZ1962PLC001200)
'ELGI Towers', P.B No: 7113 Green Fields,
Puliakulam Road,
Coimbatore – 641045.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s.Super Spinning Mills Limited (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 M/s.Super Spinning Mills Limited'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 the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above.

I further report that, there were no actions/ events in pursuant of

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



-
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

- v) I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads and Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws and environmental laws.
- vii) I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, 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.

I further report that during the audit period, the members have taken major decisions pursuant to section 180 of the Companies Act, 2013. Other than these, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Coimbatore
27.05.2015

M D Selvaraj
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411

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



To

The Members,
Super Spinning Mills Limited
(CIN: L17111TZ1962PLC001200)
'ELGI Towers', P.B No: 7113 Green Fields,
Puliakulam Road, Coimbatore – 641045.

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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 and regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on random 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.

Coimbatore
27.05.2015

M D Selvaraj
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411



Annexure 7

Particulars pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) **The ratio of the remuneration of each director to the median employee's remuneration for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year is given below:**

Directors Name	Ratio to median employee remuneration	% increase in remuneration
Mr. Sumanth Ramamurthi, Executive Chairman	13:1	97%
Mr. A S Thirumoorthy, Managing Director	17:1	163%
Mr. C S K Prabhu	0.3:1	1%
Mr. Vijay Venkataswamy	0.3:1	No change
Mr. D Sarath Chandran	0.2:1	No change
Mr. B Vijayakumar	0.2:1	39%
Mr. Sudarsan Varadaraj	0.1:1	-33%
Mr. C G Kumar	0.1:1	NA
Mrs. Suguna Ravichandran	0.1:1	NA
Mr. N Hemanand, Chief Financial Officer	NA	-74%
Mr. R Srikanth, Company Secretary	NA	12%

- ii) **The percentage increase in the median remuneration of employees in the financial year : 12%**

- iii) **The number of permanent employees on the rolls of company : 810**

- iv) **The explanation on the relationship between average increase in remuneration and company performance:**

The Company's overall turnover grown from ₹ 434 Crores in the financial year 2012-13 to ₹ 521 Crore in the financial year 2013-14, an increase of 20% against which the remuneration has been increased by an average of 10.6% during the financial year 2014-15 and this is basically due to the attrition factor in the industry and in line with the HR policy of the Company.

- v) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

The variable component of Executive Directors remuneration and the remuneration of other KMP is in line with the performance of the Company.

Name	Designation	CTC (₹ in lakhs)
Mr. Sumanth Ramamurthi	Executive Chairman	38.16
Mr. A S Thirumoorthy	Managing Director	50.88
Mr. N Hemanand	Chief Financial Officer	11.37
Mr. R Srikanth	Company Secretary	6.75



- vi) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	31.03.2015	31.03.2014
Market Capitalization (₹ in crore)	317.90	307.45
Price Earning Ratio	(2.71)	9.32
Closing Market Price (in ₹)	5.78	5.59
% increase / (decrease) of market price	3.40%	
Net worth (₹ in crore)	60.70	73.34

- vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration is 10.60% for Employees and 21% for Managerial Personnel (including KMP). The percentile increase in managerial person was due to change in designation / elevations in the Board and the remuneration was governed by Companies Act, 2013.

- viii) The key parameters for any variable component of remuneration availed by the directors:

The company does not pay any remuneration to the non-executive directors, as they are paid only sitting fee for attending the meetings. With respect to Executive Directors, variable component is paid in the form of commission, which is directly linked to the performance of the company.

- ix) 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 : Nil
- x) Your directors affirm that the remuneration is as per the remuneration policy of the Company

Coimbatore
27th May 2015

By Order of the Board
Sumanth Ramamurthi
Executive Chairman
DIN : 00002773



Report on Corporate Governance

Company's philosophy on code of governance

The company's philosophy on Corporate Governance finds expression in a self governing model of voluntary adherence of all statutory rules and regulations, timely disclosures, transparent accounting policies and practices, maintenance of the highest degree of integrity and ethical conduct towards all the stakeholders namely shareholders, employees, financial institutions, suppliers and business partners.

Board of Directors - Composition, Category and Attendance

Your Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors as per requirements of Clause 49 of the Listing Agreement.

The details of composition of the Board of Directors and number of directorship held in other companies / board committees by each member of the Board of Directors of the Company as on 31st March 2015 is as under:

Composition of Directors and their attendance

Name of the Director	Category	No. of Directorships in other Companies #	Committee of other Board's in which he is a Member / Chairman*	No. of Board Meetings attended	Whether attended the AGM held on 10.09.14
Mr. Sumanth Ramamurthi Executive Chairman	Promoter and Executive	8	2/NIL	4	Yes
Mr. A S Thirumoorthy Managing Director	Executive – Non Promoter	3	NIL/NIL	4	Yes
Mr. D Sarath Chandran	Non-Independent and Non-Executive	6	2/NIL	4	No
Mr. C S K Prabhu	Independent and Non-Executive	4	2/3	4	Yes
Mr. Sudarsan Varadaraj	Independent and Non-Executive	6	1/1	1	No
Mr. B Vijayakumar	Independent and Non-Executive	7	1/NIL	4	No
Mr. Vijay Venkataswamy	Independent and Non-Executive	4	NIL/1	4	No
Mr. C G Kumar	Independent and Non-Executive	–	NIL/NIL	3	No
Mrs. Suguna Ravichandran	Independent and Non-Executive	1	NIL/NIL	3	No

Excluding Directorships in Private and Foreign Companies

* Excluding membership in Administrative Committees.

During the year 2013-14, four Board Meetings were held at the registered Office on 28th May 2014, 7th August 2014, 4th November 2014 and 4th February 2015.

None of the Directors on the Board are related to each other.

As per the disclosures received from the Directors, none of the Directors serve as member of more than 10 Committees nor are they the Chairman/ Chairperson of more than 5 Committees, as per the requirements of the Listing Agreement.

Independent Directors Meeting

Pursuant to the provisions of the Companies Act, 2013, a meeting of independent directors was held on 4th February 2015 to discuss:

- Evaluation of the performance of non-independent directors and the Board of Directors as a whole
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-executive Directors; and
- Evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Familiarization program for Independent Directors

The details of familiarization program for the independent directors are placed on the Company's website viz. www.superspinning.com

Audit Committee

The Audit Committee of the Company is constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 III of the Listing Agreement with the Stock Exchanges.

Brief description of terms of reference:

To oversee the Company's financial reporting process, internal control systems, reviewing the accounting policies and practices; ensuring that financial statements are correct, sufficient and credible; reviewing with management the annual financial statements for submission to the Board; reviewing the internal audit observations and action taken thereon; ensuring compliance with Stock Exchange and other legal requirements and also recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services. The composition, role, functions and powers of the Audit Committee are in consonance with the requirements of applicable laws, rules and regulations.

All the members of the Audit Committee are independent and have knowledge of finance, accounts and the textile industry. The quorum for audit committee meeting is two independent directors.

The Chairman of the Audit Committee, Mr. C S K Prabhu was present at the last Annual General Meeting.

The Audit Committee meetings were held at the Registered Office of the Company and during the year the committee met four times on 19th May 2014, 2nd August 2014, 31st October 2014 and 31st January 2015. The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category	No. of Meetings Attended
Mr. C S K Prabhu, Chairman	Non Executive - Independent	4
Mr. Sudarsan Varadaraj	Non Executive – Independent	1
Mr. B Vijayakumar	Non Executive – Independent	3
Mr. Vijay Venkataswamy	Non Executive - Independent	4

The Statutory Auditors, Internal Auditors and Executives of the Company attended the meetings. The minutes of the Audit Committee Meetings were placed at the Board Meetings. The Company Secretary acts as the Secretary of the Committee.

Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee includes:

- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall 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.

During the year under review, the Nomination and Remuneration Committee of the Board met once on 28th May 2014 at the registered office of the Company.

The composition of Nomination and Remuneration Committee by the members are as under.

Name	Category	No. of meetings held during the year	No. of Meetings attended
Mr. C S K Prabhu, Chairman	Non Executive - Independent	1	1
Mr. Sudarsan Varadaraj	Non Executive - Independent	1	1
Mr. B Vijayakumar	Non Executive - Independent	1	1
Mr. Vijay Venkataswamy	Non Executive - Independent	1	1

Remuneration of Directors

Remuneration of the whole-time Directors are decided by the Board based on the recommendations and approval of the Nomination and Remuneration Committee as per the remuneration policy of the company, within the ceiling fixed by the shareholders. The remuneration paid/payable to the Executive Directors of the Company for the year ended 31st March 2015 is as follows.

Name of the Director	Salary, Allowances and Perquisites (₹ lakhs)	Service Contract
Mr. Sumanth Ramamurthi Executive Chairman	38.16	01.04.2014 to 31.03.2017
Mr. A.S.Thirumoorthy Managing Director	50.88	01.04.2014 to 31.03.2017

Remuneration includes Salary, Company's contribution to Provident Fund.

The Non-Executive Directors are paid sitting fees for attending each Board and Committee Meetings. The sitting fees paid to each such Director was ₹10,000/- for each Board Meeting and Audit Committee Meeting. ₹1,000/- each for Nomination and Remuneration Committee Meeting and Stakeholders Relationship Committee Meeting. The Company does not have any stock option scheme for the Directors and the Employees at present.

Name of the Non-Executive Director	Sitting Fees (₹)	No. of Shares held
Mr. C S K Prabhu	90,000	5000
Mr. Vijay Venkataswamy	81,000	5000
Mr. D Sarath Chandran	47,000	11710*
Mr. Sudarsan Varadaraj	20,000	72810
Mr. B Vijayakumar	71,000	6670
Mr. C G Kumar	30,000	—
Ms. Suguna Ravichandran	30,000	—

*Including 6500 shares held in HUF.

Policy for appointment and remuneration of directors, KMP and senior management

The nomination and remuneration committee (NR Committee) and the board of directors, have adopted a nomination and remuneration policy, which, inter alia, deals with the criteria for appointment of the directors, KMP and senior management personnel and their remuneration. The remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's website at the link <http://www.superspinning.com/wp-content/uploads/2015/07/Nomination-and-Remuneration-Policy.pdf>.

Criteria for appointment of directors

While recommending the appointment of the directors to the board, the Nomination and Remuneration Committee shall consider criteria/ attributes like qualification, expertise, experience of the directors in their respective fields, professional or business standing and diversity of the board. The Nomination and Remuneration Committee has the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.



Remuneration

For determining the remuneration of the directors, KMP and senior management personnel, the Nomination and Remuneration Committee shall consider the following

- A non-executive director shall be entitled to receive sitting fees for each meeting of the board or committee of the board attended by him, of such sum as may be approved by the board of directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- Executive directors shall be paid such remuneration as may be mutually agreed between the Nomination and Remuneration Committee and the Board and the executive directors within the overall limits prescribed under the Companies Act, 2013.
- The remuneration including annual increment and performance bonus of KMP, senior management personnel and other employees, is decided based on the roles and responsibilities, the company's performance, individuals performance, industry benchmark and current compensation trends in the market.

Stakeholders Relationship Committee

The committee deals in matters relating to transfer and transmission of shares, issue of duplicate share certificates, review of dematerialized shares, redressing of investors complaints. The share transfers / transmissions are approved by the committee. The minutes of the same are placed at the Board Meetings from time to time.

The composition of the Stakeholders Relationship Committee and particulars of meetings attended by the members.

Name of the Member	No. of Meetings Attended
Mr. C S K Prabhu, Chairman	9
Mr. D Sarath Chandran	7
Mr. Sumanth Ramamurthi	9
Mr. R Srikanth, Company Secretary and Compliance Officer	9

Nine meetings of the Stakeholders Relationship Committee meeting were held during the year 2014 - 15 on 9th April 2014, 21st April 2014, 22nd July 2014, 13th August 2014, 2nd September 2014, 24th October 2014, 23rd February 2015, 6th March 2015 and 18th March 2015.

Mr.R.Srikanth, Company Secretary acts as the Compliance Officer of the Company

During the year the Company has not received any complaints from the shareholders. There were no complaints pending unresolved during the year ended 31st March 2015.

Unclaimed Suspense Account

As per SEBI's circular CIR/CFD/DIL/10/2010 dated December 16, 2010 read with Clause 5A of the Listing Agreement, the Company has opened Unclaimed Suspense Account, i.e. "Super Spinning Mills Limited – Unclaimed Suspense Account" with Coimbatore Capital Limited.

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	515 Shareholders 10,39,430 Shares
Number of shareholders who approached the issuer for transfer of shares from suspense account during the year	10
Number of shareholders to whom shares were transferred from suspense account during the year	10
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	505 Shareholders 10,08,640 Shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.



General Body Meetings

Details of Annual General Meetings held in last three years

Year	Location	Date	Time	Special Resolutions passed in the AGM
2012	Ardra Convention Centre, Kaanchan No.9, North Huzur Road Coimbatore-641 018	05.09.2012	3.30 PM	Nil
2013	Ardra Convention Centre, Kaanchan No.9, North Huzur Road Coimbatore-641 018	06.09.2013	3.30 PM	Nil
2014	Ardra Convention Centre, Kaanchan No.9, North Huzur Road Coimbatore-641 018	10.09.2014	3.30 PM	Appointment of Executive Chairman and to fix his remuneration Appointment of Managing Director and to fix his remuneration Appointment of Mr. B Vijayakumar as an Independent Director Appointment of Mr. Sudarsan Varadaraj as an Independent Director Appointment of Mr. Vijay Venkataswamy as an Independent Director Appointment of Mr. C S K Prabhu as an Independent Director Alteration of Articles of Association of the Company Amending the Borrowing powers of Board of Directors under Section 180(1)(c) of the Companies Act, 2013 Amending the Board power to create and mortgage the Companies properties under Section 180(1)(a) of the Companies Act, 2013

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

No Special Resolutions were put through postal ballot last year and there is no proposal for this year.

In compliance with Clause 35B of the Listing Agreement and provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company had offered e-voting facility to all its Members as an alternate mode to exercise their right to vote. For this purpose, the Company had entered into an agreement with Central Depository Services India Limited (CDSL) for facilitating e-voting.

The Company had appointed Mr.M.D.Selvaraj, Company Secretary, as Scrutinizer for conducting the postal ballot process (which includes e-voting) in fair and transparent manner.

Disclosure

Related Party Transactions

There were no materially significant related party transactions i.e., transactions of the company of material nature, with its promoters, directors or the management, their subsidiaries, relatives etc., that may have potential conflict with the interests of the company at large. The related party transactions are duly disclosed in the notes to the accounts.

Compliances by the Company

There were no cases of non-compliance by the company. No penalties or strictures imposed by stock exchanges or SEBI or any other statutory authorities on any matter related to capital markets, during the last three years.

No treatment different from the accounting standards prescribed by the Institute of Chartered Accounts of India has been followed in the preparation of financial statements.



Whistle Blower Policy

The Company has adopted a whistle blower policy and has established necessary mechanism for employees to report concerns about unethical behaviour. Any employee if he/she so desires, would have free access to meet the Audit Committee/Senior level management and report any matter of concern.

Compliance with Non-mandatory requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

The Company has at present adopted the non-mandatory requirement of reporting by the Internal Auditor directly to the Audit Committee.

Means of Communication

The quarterly and annual financial results are published in the newspapers viz., Financial Express (all editions) and Maalai Malar (Vernacular paper) and displayed on website of the company www.superspining.com. The Company regularly intimates quarterly and annual financial results to the Stock Exchanges immediately after the same was taken on record by the Board. The results are not separately circulated to the shareholders.

There were no specific presentations made to Institutional Investors or to the analysts during the year.

General Shareholder Information

Annual General Meeting :

Day, Date & Time	: Monday, 14th September 2015 at 3.30 P.M
Venue	: Ardra Convention Centre, Kaanchan, No.9, North Huzur Road, Coimbatore - 641 018
Financial Year	: 1st April to 31st March
Date of Book Closure	: From 8th September 2015 to 14th September 2015 (both days inclusive)
Dividend Payment Date	: Not Applicable

Listing on Stock Exchanges

The Equity Shares of the company are listed on The Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The company confirms that it has paid annual listing fees to "The Bombay Stock Exchange Limited and National Stock Exchange of India Limited" for the year 2015-16.

Stock Code

Name of the stock Exchange	Scrip Code
Bombay Stock Exchange Ltd	521180
National Stock Exchange of India Ltd	SUPERSPIN
ISIN with NSDL & CDSL	INE662A01027

Market price data for the year 2014- 15

Month	Share Price BSE		Sensex		Share Price NSE		S&P Nifty	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
April'14	5.94	5.21	22,939	22,198	5.95	5.30	6,870	6,650
May'14	7.60	5.01	25,376	22,277	8.05	5.05	7,564	6,639
June'14	10.98	6.50	25,725	24,270	10.90	6.40	7,700	7,240
July'14	10.78	8.01	26,300	24,892	10.70	8.00	7,841	7,422
August'14	10.00	6.35	26,674	25,233	10.15	6.30	7,968	7,540
September'14	8.72	6.30	27,355	26,220	8.85	6.55	8,180	7,842
October'14	7.58	6.22	27,894	25,911	7.65	6.25	8,331	7,724
November'14	7.62	6.46	28,822	27,740	7.45	6.55	8,617	8,290
December'14	11.28	6.21	28,810	26,469	10.90	6.00	8,627	7,961
January'15	8.73	6.81	29,844	26,776	8.40	6.65	8,997	8,065
February'15	7.55	6.00	29,560	28,044	8.10	5.50	8,941	8,471
March'15	7.00	5.11	30,025	27,248	7.45	4.80	9,119	8,269

Note: The Face Value is ₹1/-



Registrar and Share Transfer Agent

Link Intime India Pvt Limited
(Formerly Intime Spectrum Registry Ltd)
"SURYA", 35, Mayflower Avenue
Behind Senthil Nagar
Sowripalayam, Coimbatore - 641 028.
Tamil Nadu

Share Transfer System

All the applications received either for transfer or dematerialization will be processed only after getting the approval from the members of the Stakeholders Relationship Committee.

Distribution of Shareholding:

Pattern of Shareholding as on 31st March 2015

Category	No. of Share Holders	No. of Shares held	% of share holding
Promoters and promoters group	22	23327640	42.41
Financial Institutions, Banks	1	1470	0.002
Foreign Institutional Investors/NRI/ OCB	1	1000	0.001
Bodies Corporate	241	3785012	6.88
Public	8616	27884878	50.74
Total	9328	55000000	100.00

Distribution of shareholdings as on 31st March 2015

Share	No of Shareholders	% of holding	No of Shares	% of holding
1 - 500	4446	50.06	10,75,623	1.96
501 - 1000	1506	16.96	13,50,878	2.46
1001 - 2000	1014	11.42	16,63,405	3.02
2001 - 3000	492	5.54	12,96,248	2.36
3001 - 4000	226	2.54	8,29,144	1.51
4001 - 5000	261	2.94	12,51,095	2.27
5001 - 10000	423	4.76	32,07,638	5.83
10001 & Above	513	5.78	4,43,25,969	80.59
Total	8881	100.00	5,50,00,000	100.00

Dematerialization of shares and liquidity :

Demat and Physical Shares as on 31st March 2015

Particulars	No. of Shares	% to Share capital
National Securities Depository Limited	4,64,80,972	84.51
Central Depository Services (India) Limited	66,43,398	12.08
Physical	18,75,630	3.41
Total	5,50,00,000	100%

The custodial fee to the depositories for the year 2015-16 will be paid on receipt of Invoice from them.

Other Disclosures:

Reconciliation of Share Capital Audit

Reconciliation of Share Capital Audit on a quarterly basis was done by a qualified practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The audit confirms the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Risk Management

The company manages risks as an integral part of its decision making process. The Audit Committee and the Board of Directors are regularly appraised regarding key risk assessment and risk mitigation mechanisms.

CEO / CFO Certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49 (V) of the Listing Agreement, the certificate forms part of Annual Report.

Code for Prevention of Insider Trading

The Company has framed a Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors / Officers / Designated employees. The Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

Code of Conduct

The code of conduct for the Board Members, Senior Management Personnel and the Employees of the company is posted on the website of the company. All Board members and senior management personnel have affirmed compliance with the same and the duly signed declaration to this effect made by the CEO is annexed hereunder:

Declaration as required Under Clause 49 of the Listing Agreement

All Board Members and Senior Management Personnel of the company have affirmed compliance with the provisions of the Super Spinning Mills Ltd – Code of Conduct for the financial year ended 31st March 2015.

Plant Locations

A Unit Kirikera, Hindupur, Ananthapur Dist, Andhra Pradesh.	C Unit D Gudalur, Karur, Tamil Nadu
B Unit Kotnur, Hindupur, Ananthapur Dist, Andhra Pradesh.	Super Sara Beerapalli, Hindupur, Ananthapur Dist, Andhra Pradesh.
Address for Correspondence and Registered Office Mr R Srikanth Company Secretary & Compliance Officer Super Spinning Mills Limited "Elgi Towers", PB No. 7113 737-D, Green Fields, Puliakulam Road Coimbatore - 641 045, Tamil Nadu Phone: 91-422-2311711, 4351711 Fax : 91- 422 - 2311611 E Mail : investors@ssh.saraelgi.com Web : www.superspinning.com	Address for Correspondence with Registrar and Share Transfer Agent Coimbatore Branch Office Link Intime India Pvt Limited (Formerly Intime Spectrum Registry Ltd) "SURYA", 35, Mayflower Avenue Behind Senthil Nagar Sowripalayam, Coimbatore – 641 028. Tamil Nadu Phone : 91 - 422 - 2314792 Fax : 91 - 422 – 2314792, 2315792 E Mail : coimbatore@linkintime.co.in

Coimbatore
27th May, 2015

A S Thirumoorthy
Managing Director & CEO
DIN : 03604474



AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The members of Super Spinning Mills Limited,

We have read the Report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of corporate Governance by Super Spinning Mills Limited for the year ended 31st March 2015, as stipulated in clause 49 of the Listing agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, conducted in the manner described in the "Guidance Note on certification of Corporate Governance" issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and on the basis of our examination described above, the Company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreements.

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

For Reddy, Goud & Janardhan
Chartered Accountants
Registration No.003254S

Balakrishna S Bhat
Partner

Membership No.202976

Coimbatore
27th May, 2015

Certification by Chief Executive Officer and Chief Financial Officer

To the Board of Directors of Super Spinning Mills Limited,

We, A S Thirumoorthy, Managing Director & CEO and N Hemanand, Chief Financial Officer of Super Spinning Mills Limited, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2015 and to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March 2015 are fraudulent, illegal or in violation of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
 - i. There have not been any significant changes in internal control over financial reporting during the year ended 31st March 2015.
 - ii. There have not been any significant changes in accounting policies during the year ended 31st March 2015.
 - iii. There have been no instances during the year ended 31st March 2015 of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Coimbatore
27th May, 2015

A S Thirumoorthy
Managing Director & CEO DIN : 03604474

N Hemanand
Chief Financial Officer



Independent Auditors' Report

To
The Members of Super Spinning Mills Limited,

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SUPER SPINNING MILLS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 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.

Managements 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountant of India. Those Standards and pronouncement 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 standalone 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 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 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 31st March, 2015, and its losses and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order 2015 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
- As required by Section 143 (3) of the Act, we report that:
 - 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.
 - 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 included in Note No. 28 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Reddy, Goud & Janardhan
 Chartered Accountants
 Registration No.003254S
Balakrishna S Bhat
 Partner
 Membership No.202976

Coimbatore
27th May, 2015

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of SUPER SPINNING MILLS LIMITED for the year ended March 31, 2015)

We report that:

- i. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii. a) In our opinion and according to the information and explanations given to us, the management has conducted the physical verification of inventories at reasonable intervals during the year under review.
- b) In our opinion and according to the information and explanations given to us, 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) According to the information and explanations given to us, we are of the opinion that the Company is maintaining proper records of inventories and no material discrepancies were noticed on their physical verification.
- iii. a) The Company had not granted any loans, secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year, except in case of interest free unsecured loans granted to its subsidiaries during previous years that were outstanding at the beginning of the year were repaid in full during the current year. Hence comments on the provisions of Clause (iii) (a) to (c) of the said order do not arise.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, with regard to the purchase of inventories and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.



- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to 76 of the Companies Act, 2013, and rules framed there under.
- vi. We have broadly reviewed the books of account maintained by the company, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima-facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the

records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, excise duty, wealth-tax, service tax, customs duty, excise duty, Value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with appropriate authorities. There are no undisputed statutory dues as referred to above as at 31st March 2015 outstanding for a period of more than six months from the date they become payable.

- b) According to the information and explanations given to us, the disputed statutory dues that have not been deposited on account of matters pending before the appropriate authority are as under:

Name of Statute	Nature of Dues	Issues in the Appeal	Unpaid Amount (₹ in lakhs)	Period to which the amount relates	Forum Where Dispute is Pending
Income Tax Act, 1961	Income Tax	Disallowance of replacement of machinery	439.92	1993-94, 1994-95, 1996-97, 1998-99 to 2000-01, 2002-03 to 2008-09	CIT(Appeals), Coimbatore
APGST Act, 1957	Sales Tax	Disallowance of Stock Transfer to branch & Tax due on other pending declaration forms	162.96	2010-11	ADC, Kurnool & STAT, Visakhapatnam
TNGST Act, 1959	Sales Tax	Levy of Penalty for Issue of C Forms	83.93	1998-99	High Court, Chennai
Central Excise Act, 1944	Excise Duty	Capital goods moved without payment of duty and Dispute on input duty assessed	75.98	2003-04	Commissioner of Appeals, Coimbatore

- (c) According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- viii) The Company has incurred accumulated losses aggregating to ₹ 4543.11 lakhs as at end of the financial year and has incurred cash losses of ₹ 678.39 lakhs in the current financial year. However, the Company

has not incurred cash losses during the immediately preceding financial year.

- ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks or financial institutions. There are no debenture holders during the year.
- x) In our opinion, the Company has given guarantees for banking facility availed by a subsidiary company for ₹ 140 Lakhs and according to the information and explanations given to us, the terms and conditions



on which such guarantees have been given to such entities are not prima facie prejudicial to the interest of the company, considering the Company's economic interest in such entities.

xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

Coimbatore
27th May, 2015

For **Reddy, Goud & Janardhan**
Chartered Accountants
Registration No.003254S

Balakrishna S Bhat
Partner
Membership No.202976

5 Year Highlights

₹ lakhs

Operating Results	2011	2012	2013	2014	2015
Sales and Other Income	48378	39526	44217	52623	44635
Operating Profit	5856	(1264)	4842	4412	1813
Finance Cost	2293	3023	2311	2380	2304
Gross Profit	3563	(4287)	2531	2033	(491)
Depreciation	2081	1900	1697	1511	1037
Taxes	91	(1895)	84	150	(541)
Net Profit	1391	(4292)	751	332	(1174)
Performance Parameters					
Net Fixed Assets	14304	11719	10107	9603	9294
Share Capital	550	550	550	550	550
Reserves	9993	5701	6452	6784	5521
Net Worth	10543	6251	7002	7334	6071
Return on Net Worth(%)	13.19	(68.66)	10.72	4.53	(19.34)
Bank Borrowings	20455	14198	13206	13892	12485
Debt : Equity	1.94 : 1	2.27 : 1	1.89 : 1	1.89 : 1	2.06 : 1
Earnings per share (in ₹)	2.53	(7.80)	1.36	0.60	(2.13)



Balance Sheet as at 31st March 2015

Particulars	Note No.	31.03.2015	₹ lakhs 31.03.2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	550.00	550.00
(b) Reserves and surplus	4	5,520.50	6,784.07
2 Non-current liabilities			
(a) Long-term borrowings	5	3,967.56	3,156.86
(b) Other long-term liabilities	6	—	29.56
(c) Long-term provisions	7	437.71	459.09
3 Current liabilities			
(a) Short-term borrowings	8	7,675.85	10,008.96
(b) Trade payables	9	5,062.92	4,689.83
(c) Other current liabilities	10	2,249.29	2,262.13
(d) Short-term provisions	11	286.07	270.89
TOTAL		25,749.90	28,211.39
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	12.a	9,292.16	9,512.31
Intangible assets	12.b	1.97	7.14
Capital Work in Progress	12.c	—	83.95
(b) Non-current investments	13	2,730.79	2,730.79
(c) Deferred tax assets (Net)	14	1,325.96	742.22
(d) Other Non Current assets	15	1,334.12	—
2 Current assets			
(a) Inventories	16	3,978.85	6,200.95
(b) Trade receivables	17	3,770.05	4,338.78
(c) Cash and Bank Balances	18	131.28	219.59
(d) Short-term loans and advances	19	2,589.19	3,621.97
(e) Other current assets	20	595.53	753.69
TOTAL		25,749.90	28,211.39

See accompanying notes forming part of the financial statements

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

For and on behalf of the Board

Sumanth Ramamurthi

Executive Chairman

DIN : 00002773

A S Thirumoorthy

Managing Director

DIN : 03604474

N Hemanand

Chief Financial Officer

R Srikanth

Company Secretary

Coimbatore, 27th May, 2015



Statement of Profit and Loss for the year ended 31st March 2015

			₹ lakhs
Particulars	Note No.	31.03.2015	31.03.2014
I. Revenue from operations	21	44,049.81	52,120.29
II. Other income	22	585.31	503.05
III. Total Revenue		44,635.12	52,623.34
IV. Expenses:			
Cost of materials consumed	23.a	26,430.42	30,450.07
Purchases of Stock-in-Trade	23.b	205.00	1,438.00
Changes in inventories of Finished goods, Work-in Progress and Stock in Trade	23.c	(235.36)	(604.71)
Employee benefits expense	24	5,331.11	5,207.45
Finance costs	25	2,304.18	2,379.84
Depreciation and amortization expense	12.d	1,036.66	1,510.72
Other expenses	26	11,091.21	11,720.07
Total Expenses		46,163.22	52,101.44
V. Profit before exceptional and extraordinary items and tax (III-IV)		(1,528.10)	521.90
VI. Exceptional items	27	186.96	39.50
VII. Profit before extraordinary items and tax (V - VI)		(1,715.06)	482.40
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) Before Tax (VII - VIII)		(1,715.06)	482.40
X. Tax expense:			
Current tax		-	-
Deferred tax		(540.83)	149.96
XI. Profit / (Loss) After Tax (IX-X)		(1,174.23)	332.44
XII. Earnings per share:			
Basic and Diluted (₹)		(2.13)	0.60

See accompanying notes forming part of the financial statements

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants
Registration No.003254S
Balakrishna S Bhat
Partner, Membership No.202976

Coimbatore, 27th May, 2015

N Hemanand
Chief Financial Officer

For and on behalf of the Board
Sumanth Ramamurthi
Executive Chairman
DIN : 00002773
A S Thirumoorthy
Managing Director
DIN : 03604474
R Srikanth
Company Secretary



Cash Flow Statement for the year ended 31st March 2015

		₹ lakhs
	2014-15	2013-14
A. Cash Flow from operating activities :		
Net Profit before tax and extraordinary items	(1715.06)	482.40
Adjustment for :		
Depreciation and amortisation Expenses	1036.66	1510.72
(Profit)/Loss on sale of assets	(370.72)	(105.21)
(Profit)/Loss on sale of investments	—	(4.30)
Interest Income	(63.64)	(328.47)
Interest Payments	2248.71	2296.91
Unrealised exchange (gain) / Loss	(4.02)	(2.43)
Operating Profit before working capital changes	1131.93	3849.62
Adjustments for :		
Trade receivables	106.75	(273.39)
Other receivables	528.80	(246.34)
Inventories	2,222.10	(1,243.01)
Other Bank balances	(1.91)	4.35
Trade and other payables	219.81	279.36
Cash generated from operations	4207.48	2370.59
Direct taxes paid	210.00	300.00
Net Cash Flow from operating activities (A)	3997.48	2070.59
B. Cash Flow from Investing activities :		
Purchase of fixed assets [Including CWIP]	(1002.93)	(1039.44)
Sale of fixed assets	514.01	137.94
Purchase of investments	—	(16.42)
Sale of investments	—	115.30
Interest received	63.64	328.47
Net cash used for investing activities (B)	(425.28)	(474.15)
C. Cash Flow from financing activities :		
Long term borrowings	919.40	2090.30
Interest paid	(2248.71)	(2296.91)
Working capital borrowings	(2326.56)	(1403.83)
Unsecured loans & deposits	(6.55)	(2.11)
Net cash flow from financing activities (C)	(3662.42)	(1612.55)
Net Increase / (Decrease) in cash and cash equivalent	(90.22)	(16.11)
Cash and cash equivalents - Opening	211.33	227.44
Cash and cash equivalents - Closing	121.11	211.33
1. Cash and Cash Equivalents		
a Cash on Hand	5.76	4.26
b Cheque in transit	0.80	1.28
c Balance with banks: On current accounts	114.55	205.79
	121.11	211.33
2. Other Bank balances		
a Earmarked balance with banks on unpaid dividend accounts	1.68	8.26
b Margin Money Deposit	8.49	—
	10.17	8.26
Cash and Bank balances as per Balance Sheet (Note No.18) (I + II)	131.28	219.59

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **Reddy, Goud & Janardhan**

Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

N Hemanand

Chief Financial Officer

For and on behalf of the Board

Sumanth Ramamurthi

Executive Chairman

DIN : 00002773

A S Thirumoorthy

Managing Director

DIN : 03604474

R Srikanth

Company Secretary

Coimbatore, 27th May, 2015



Notes forming part of the financial statements

1 Corporate Information

Super Spinning Mills Limited is a public limited company incorporated under the provisions of the Companies Act, 1956. The company is engaged in the manufacture and selling of cotton yarn and its shares are listed on the Bombay Stock Exchange and the National Stock Exchange. The company has manufacturing units in Tamil Nadu and Andhra Pradesh.

2 Significant Accounting Policies

2.1 Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles in India and the provisions of the Companies Act 2013.

2.2 Fixed Assets

- a. Fixed assets are stated at historical cost of acquisition (Net of Cenvat credits) less accumulated depreciation / amortisation and cumulative impairment, if any. Cost of acquisition includes freight, duties, taxes, installation, direct attributable costs, finance cost and commissioning.
- b. Capital Work in Progress, projects under commissioning are carried forward at cost. Incidental expenditure in relation to projects under commissioning is carried forward till completion of project and comprises of direct cost, related incidental expenditure and attributable interest.

2.3 Depreciation

- a. Depreciation on Fixed assets other than those referred to in (b) is provided based on the useful life of the assets in the manner prescribed in Schedule II of the Companies Act 2013.
- b. The company considering useful life of the following assets different from Schedule II of the Companies Act 2013, with supporting of Technical opinion:
 - i. Plant & Machinery Single Shift – 20 Years
 - ii. Plant & Machinery Triple Shift – 10 Years
 - iii. Roads, Fences, Walls – 15 Years
- c. ERP software & other software is amortised over a period of five years, being the estimated useful life of the asset.

2.4 Investments

Long-term investments are stated at cost less provision, if any, for diminution in value, which is other than temporary. Current investments are stated at lower of cost and fair value.

2.5 Valuation of Inventories

Inventories of Raw Materials, Work-in Process, Finished goods, Stores and Spares are stated at lower of cost or net realisable value. Cost comprises all cost of purchase, cost of conversion and any other costs incurred in bringing the inventories to their present location and condition. Cost formula used is weighted average. Due allowance is estimated and made for defective and obsolete items whether necessary, based on the past experience of the company.

2.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits. Contingent liabilities are not recognised but are disclosed in the Notes forming part of the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.7 Recognition of Income and Expenditure

- a. The company follows the mercantile system of accounting and recognised income and expenditure on accrual basis except those with significant uncertainties.
- b. Sales is accounted when the risk and reward of ownership are passed on to the customers.
- c. Domestic sales as reported in the statement of profit and loss are inclusive of excise duty, wherever applicable and exclusive of other taxes, if any, and trade discounts. Income from export entitlements is accounted as and when the certainty of entitlement is determined.
- d. Revenue from services rendered is recognised as the service is performed based on agreements/ arrangements with the concerned parties.



Notes forming part of the financial statements

- e. Interest is recognised using the time-proportion method, based on rates implicit in the transaction.
- f. Dividend income is recognised when the Company's right to receive dividend is established.

2.8 Employee benefits / Retirement benefits of employees

- a. Gratuity benefits are administered by Trust formed for this purpose through the Group Scheme of Life Insurance Corporation of India. The provision of gratuity liability is actuarially determined at the year-end and the liability arising on such valuation is charged to the Statement of Profit and Loss.
- b. Provident fund contribution is as per the rates prescribed by the Employees' Provident Funds Act, 1952 and the same is charged to revenue.
- c. Superannuation fund contribution is paid according to company rules to the Life Insurance Corporation of India and charged to revenue.
- d. Voluntary Retirement Compensation is expended in the year of payment as per the Revised Accounting Standard AS 15.

2.9 Government Grants

- a. Government Grants are recognized when there is a reasonable assurance that the company would comply with the conditions attached for such grant and further the grant would be received
- b. Revenue grants are recognized in the Statement of Profit and Loss.
- c. Interest reimbursement under Technology Up gradation Fund Scheme (TUFS) is directly credited to respective term loan interest accounts, being reimbursement of expenditure incurred.

2.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

2.11 Exchange Fluctuation

- a. All loans and deferred credits repayable in Foreign Currency and outstanding

at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. In respect of revenue transactions covered by forward exchange contracts, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract.

- b. Balances in the form of current assets and current liabilities in foreign exchange outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is charged to the Statement of Profit and Loss.
- c. All other income or expenditure in foreign currency is recorded at the rates of exchange prevailing on the dates when the relevant transactions took place.

2.12 Operating Lease

Assets taken on lease, under which, all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

2.13 Taxes on Income

Tax expense comprises of current and deferred tax. Current tax and deferred tax are accounted for in accordance with Accounting Standards (AS 22) on "Accounting for Taxes on Income", issued by The Institute of Chartered Accountants of India. Current tax is measured at the amount expected to be paid to the tax authority using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at relevant enacted / substantially enacted rates. At each Balance Sheet date, the company reassesses unrealised deferred tax assets to the extent they become reasonably certain or virtually certain of realisation as the case may be.



Notes forming part of the financial statements

2.14 Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as

impaired. An impairment loss recognised in prior accounting period is reversed in current accounting periods if there has been a change in the estimate of the recoverable amount.

2.15 Earnings Per Share

Basic and Diluted earnings per share is calculated by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

3 Share Capital

Authorised

10,00,00,000 (10,00,00,000) Equity shares of ₹ 1/- each

Issued, Subscribed & Fully Paid Up

5,50,00,000 (5,50,00,000) Equity shares of ₹ 1/- each

Total

	₹ lakhs	
	31.03.2015	31.03.2014
Authorised		
10,00,00,000 (10,00,00,000) Equity shares of ₹ 1/- each	1000.00	1000.00
Issued, Subscribed & Fully Paid Up		
5,50,00,000 (5,50,00,000) Equity shares of ₹ 1/- each	550.00	550.00
Total	550.00	550.00

3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2015		As at 31.03.2014	
	₹ lakhs	No. of shares	₹ lakhs	No. of shares
No. of Equity shares outstanding at the beginning of the year	550.00	55,000,000	550.00	55,000,000
Add: Additional shares / Bonus shares issued	-	-	-	-
Less: Shares forfeited / Bought back	-	-	-	-
No. of Equity shares outstanding at the end of the year	550.00	55,000,000	550.00	55,000,000

3.2 Shares held by holding / ultimate holding company / or their subsidiaries / associates

- -

3.3 Shareholders holding more than 5% of shares

Name of the Shareholder	31.03.2015		31.03.2014	
	No of Shares	% of Holding	No of Shares	% of Holding
Sumanth Ramamurthi	8,773,860	15.95	8,668,220	15.76
Nikhil Govind Ramamurthi	4,000,000	7.27	4,000,000	7.27
Sanjay Krishna Ramamurthi	4,000,000	7.27	4,000,000	7.27

3.4 The company has only one class of issued shares referred to as equity shares having a par value of ₹1/- each.

Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividends in Indian rupees. However during the year the company has not declared any dividend. The dividend (except in case of interim dividend) proposed by the Board of Directors, if any, is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.



Notes forming part of the financial statements

	31.03.2015	₹ lakhs 31.03.2014
3.5 Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date	—	—
3.6 Shares reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment, including the terms and amounts	—	—
4 Reserves and Surplus		
a. Surplus in Statement of Profit and Loss		
Opening Balance	(3,368.89)	(3,701.33)
Add: Amount Transferred from statement of profit and loss	(1,174.23)	332.44
Less: Utilised / Transferred	—	—
Closing Balance	<u>(4,543.12)</u>	<u>(3,368.89)</u>
b. Capital Reserve		
Opening Balance	48.19	48.19
Add: Additions	—	—
Less: Utilised / Transferred	—	—
Closing Balance	<u>48.19</u>	<u>48.19</u>
c. Securities Premium Reserve		
Opening Balance	1,487.50	1,487.50
Add: Additions	—	—
Less: Utilised / Transferred	—	—
Closing Balance	<u>1,487.50</u>	<u>1,487.50</u>
d. General Reserve		
Opening Balance	8,617.27	8,617.27
Add: Additions	—	—
Less: Carrying amount of Fixed Assets debited to retained earnings where remaining useful life of the asset is NIL as on 01.04.2014	132.25	—
Less: Reversal of Deferred tax on above	42.91	—
	89.34	—
Closing Balance	<u>8,527.93</u>	<u>8,617.27</u>
Total	<u>5,520.50</u>	<u>6,784.07</u>
5 Long-term Borrowings		
Term Loans (Secured)		
From Banks	3,967.56	3,156.86
Total	<u>3,967.56</u>	<u>3,156.86</u>

Notes forming part of the financial statements

5.1 Repayment Schedule

Long Term Borrowings	Quarterly / Monthly Instalments	Rate of Interest (%)	Final Instalment
State Bank of India - TL -1	36	14.60	Mar 18
Andhra Bank	60	14.25	Mar 20
State Bank of India - TL-2	60	14.65	Dec 20
SBI - Term Loan (TUFS)	59	14.65	Nov 20

5.2 Details of security for Long-term Borrowings

The Tuf loan from SBI bank is secured by:

- First charge on fixed asset financed by SBI , and Second charge on entire current asset and other fixed assets of the company on paripassu basis"
- Personal Guarantee from promoter

The term loan from SBI bank is secured by:

- First Pari-passu charge on entire fixed asset of the company, and First charge on entire current asset of the company
- Personal Guarantee from promoter

The term loans from Andhra Bank is secured by:

- First Pari-passu charge on entire fixed asset of the company
- Second charge on current assets of the Company.

	31.03.2015	31.03.2014
6 Other Long-term Liabilities		
Security Deposits	–	29.56
Total	–	29.56
7 Long-term Provisions		
Gratuity	437.71	408.31
Statutory Liabilities	–	50.78
Total	437.71	459.09
8 Short-term Borrowings		
Loans repayable on demand		
From Banks	7,647.40	9,973.70
From Directors	28.45	35.00
Total	7,675.85	10,008.96

8.1 Working Capital loans from banks are secured by:

For SBI:

- First charge on entire current assets of the company
- Second paripassu charge on entire fixed assets of the company

For ICICI:

- First pari passu charge by way of Hypothecation on entire current assets of the company.
- Second paripassu charge and mortgage on specific Moveable and Immoveable properties of the Company.



Notes forming part of the financial statements

For Other Banks:

- First pari passu charge on entire current assets of the company
- Second pari passu charge on entire fixed assets of the company

"Working Capital loans are payable on demand and carries interest rate for Cash Credit -- [14.22% to 15%]

"& for Packing Credit [10.45% to 11.25%]"

9 Trade Payables

Based on the information and evidence available with the company, there are no dues to Micro, Small and Medium Enterprises, outstanding as on 31.03.2015.

		₹ lakhs
10 Other Current Liabilities	31.03.2015	31.03.2014
Current Maturities of Long Term Borrowings	870.00	761.30
Interest Accrued but not due	75.79	107.95
Unpaid Dividends	1.68	8.26
Statutory Remittances	49.25	35.82
Liabilities for expenses	536.73	721.60
Employee Benefits Payable	201.74	193.99
Advance from Customers	423.80	312.85
Others	90.30	120.36
Total	2,249.29	2,262.13
11 Short-term Provisions		
For Bonus	268.46	251.92
For Gratuity	17.61	18.97
Total	286.07	270.89

12 Fixed Assets

Sl No	Particulars	Gross Block				Depreciation / Amortisation				Net Block		
		As at 01.04.14	Additions	Disposals	As at 31.03.15	As at 01.04.14	For the year	Disposals	Retained Earnings	As at 31.03.15	As at 31.03.15	As at 31.03.14
12.a	Tangible Assets											
	Land	612.17	12.66	0.75	624.08	—	—	—	—	—	624.08	612.17
	Buildings	5,576.34	13.43	63.97	5,525.80	1,741.94	185.07	15.98	16.53	1,927.56	3,598.24	3,834.40
	Plant and Equipment	32,906.00	1,016.48	993.19	32,929.29	28,096.93	801.38	898.85	18.91	28,018.37	4,910.92	4,809.07
	Data Processing Machinery	644.32	35.90	0.81	679.41	511.78	24.88	0.77	46.16	582.05	97.36	132.54
	Furniture and Fixtures	240.95	2.05	—	243.00	147.93	10.81	—	43.39	202.13	40.87	93.02
	Vehicles	231.16	6.36	2.44	235.08	200.05	9.42	2.28	7.20	214.39	20.69	31.11
	Total	40,210.94	1,086.88	1,061.16	40,236.66	30,698.63	1,031.56	917.88	132.19	30,944.50	9,292.16	9,512.31
12.b	Intangible Assets											
	Computer software	313.77	—	—	313.77	306.63	5.10	—	0.07	311.80	1.97	7.14
	Total	313.77	—	—	313.77	306.63	5.10	—	0.07	311.80	1.97	7.14



Notes forming part of the financial statements

Sl No	Particulars	Gross Block				Depreciation / Amortisation				Net Block		
		As at 01.04.14	Additions	Disposals	As at 31.03.15	As at 01.04.14	For the year	Disposals	Retained Earnings	As at 31.03.15	As at 31.03.15	As at 31.03.14
12.c	Capital work in progress											
	Plant & Machinery	83.95	–	83.95	–	–	–	–	–	–	–	83.95
	Total	83.95	–	83.95	–	–	–	–	–	–	–	83.95
	Grand Total	40,608.66	1,086.88	1,145.11	40,550.43	31,005.26	1,036.66	917.88	132.26	31,256.30	9,294.13	9,603.40
	Previous Year	40,017.34	1,089.00	497.68	40,608.66	29,909.95	1,510.72	415.41	–	31,005.26	9,603.40	10,107.39

12.d Depreciation and Amortisation for the year on	31.03.2015	₹ lakhs
Tangible Assets as per Note 12.a	1,031.56	30.03.2014
Intangible Assets as per Note 12.b	5.10	1,510.72
Total	1,036.66	–
		1,510.72

13 Non-current Investments

Investments in Equity Shares

Non-Trade Unquoted (At Cost) - Subsidiaries

Elgi Building Products Ltd

29,99,592 (29,99,592) shares of ₹ 10 each fully paid **299.96** 299.96

Sara Elgi Arteriors Ltd

25,00,000 (25,00,000) shares of ₹ 10 each fully paid **350.00** 350.00

Investments in Equity Shares - Others

Trade Unquoted (At Cost)

Andhra Pradesh Gas Power Corporation Ltd

9,38,000 (9,38,000) shares of ₹ 10 each fully paid **1293.02** 1293.02

MMS Steel and Power Ltd

2,03,938 (2,03,938) shares of ₹ 10 each fully paid **20.39** 20.39

Suryadev Alloys Steels

900 (900) shares of ₹ 10 each fully paid **1.22** 1.22

Cotton Sourcing Company Ltd

10,000 (10,000) shares of ₹ 10 each fully paid **1.00** 1.00

Investments in Preference Shares

Non-Trade Unquoted (At Cost) - Subsidiaries

Elgi Building Products Ltd

70,00,000 (70,00,000) 10% 8 years Non-cumulative redeemable shares of ₹ 10 each fully paid **700.00** 700.00

Elgi Building Products Ltd

5,00,000 (5,00,000) 10% 8 years Cumulative redeemable shares of ₹ 10 each fully paid **50.00** 50.00

Investments in Bonds

Mercantile Ventures Limited

Zero % unsecured, convertible bonds **15.20** 15.20

Aggregate value of unquoted investments (At Cost) **2,730.79** **2,730.79**

Fair value - ₹ 2730.79 lakhs (Previous year - ₹ 2730.79 lakhs)



Notes forming part of the financial statements

14 Deferred Tax Liabilities / (Assets)

Particulars	Balance as of 31.03.2014	Charge / Credit	Closing as of 31.03.2015
Depreciation	1040.58	49.78	1090.36
Loss	(1521.47)	(597.27)	(2118.74)
Others	(261.33)	(36.25)	(297.58)
Total - Liability / (Asset)	(742.22)	(583.74)	(1325.96)

₹ lakhs

15 Non Current Assets	31.03.2015	31.03.2014
Trade Receivable (Refer Note 15.1)	461.98	—
Security Deposit	575.48	—
MAT Credit	296.66	—
Total	1,334.12	—

15.1.1 Trade receivables due from certain customers are under litigation at various forums. However, management is confident of recovering these dues and hence no provision for doubtful debts is required to be provided

15.1.2 Item shown in Non current assets in current year were grouped under Current Assets in the previous year.

16 Inventories

Valued at Cost or Net Realisable value whichever is lower

Raw Materials	1,541.36	3,914.81
Work in Process	1,125.23	1,178.22
Finished Goods	999.29	708.11
Stores and Spares	251.61	335.62
Waste	61.36	64.19
Total	3,978.85	6,200.95

17 Trade Receivables

(Unsecured, considered good)

Outstanding for a period exceeding six months	74.99	90.39
Others	3,695.06	4,248.39
Total	3,770.05	4,338.78

18 Cash and Bank Balances

1. Cash and Cash Equivalents

a. Cash on Hand	5.76	4.26
b. Cheque in transit	0.80	1.28
c. Balance with banks: On current accounts	114.55	205.79

2. Other Bank balances

a. Earmarked balance with banks on unpaid dividend accounts	1.68	8.26
b. Margin Money Deposit	8.49	—

Total	131.28	219.59
--------------	---------------	---------------

Margin money deposit with carrying amount of ₹ 8,49,000 (P.Y.-NIL) are held to secure the company's non fund based limits availed from Bank.



Notes forming part of the financial statements

		₹ lakhs
	31.03.2015	31.03.2014
19 Short-term Loans and Advances		
Unsecured, considered good		
Loans and Advances to Related Parties	–	269.57
Prepaid Expenses	145.38	184.53
Employee Related Advances	56.96	41.91
Payment of Taxes	1,823.15	1,900.15
Balance with Government Authorities	406.18	470.70
Other Deposits & Advances	157.52	755.11
Total	2,589.19	3,621.97
20 Other Current Assets		
Interest Accrued	59.60	58.47
Income Accrued	535.93	695.22
Total	595.53	753.69
21 Revenue from Operations		
“Sale of products :		
Domestic	29926.99	
Export”	13420.17	
	43,347.16	51,349.99
Other operating revenues	702.65	770.30
Less: Excise duty	–	–
Total	44,049.81	52,120.29
21.1 Other operating revenues Includes		
Job Work Charges	56.05	68.69
Export Incentive	470.28	597.45
Others	176.32	104.16
Total	702.65	770.30
22 Other Income		
Interest Income(Refer Note 22.1 below)	63.64	328.47
Other Non-operating Income(Refer Note 22.2 below)	521.67	174.58
Total	585.31	503.05
22.1 Interest Income		
Interest on Electricity Deposits	50.64	49.47
Interest on IT refunds	–	266.08
Other Interest Receipts	13.00	12.92
Total	63.64	328.47



Notes forming part of the financial statements

		₹ lakhs
22.2 Other Non-operating Income	31.03.2015	31.03.2014
Insurance Claim Receipts	0.58	-
Agri Income	3.73	4.18
Rent Receipts	19.45	19.41
Profit/(Loss) on sale of assets	370.72	105.21
Profit/(Loss) on sale of Investments	-	4.30
Exchange Gain/ (Loss) (Net)	127.19	41.48
Total	521.67	174.58
23.a Cost of Materials Consumed		
Opening Stock of Cotton	3,914.81	3,292.55
Add: Purchase of Cotton	24,056.97	31,072.33
Less: Closing Stock of Cotton	1,541.36	3,914.81
Total	26,430.42	30,450.07
23.b Purchase of Traded goods		
Cotton Yarn	205.00	1,438.00
23.c Change in Inventories of Finished goods, Work-in Process & Stock in Trade		
Inventories at the end of the year		
Finished goods	999.29	708.11
Work-in Progress	1,125.23	1,178.22
Waste	61.36	64.19
Total	2,185.88	1,950.52
Inventories at the beginning of the year		
Finished goods	708.11	404.97
Work-in Progress	1,178.22	902.82
Waste	64.19	38.02
Total	1,950.52	1,345.81
Net (Increase) / Decrease	(235.36)	(604.71)
24 Employee Benefit Expenses		
Salaries	4,416.91	4,356.52
Contributions to		
- Provident Funds	207.59	211.29
- Super Annuation Funds	6.86	7.53
Gratuity Fund Provision	117.05	58.66
Welfare Expenses	582.70	573.45
Total	5,331.11	5,207.45
25 Finance Cost		
Interest on Borrowings	2,248.71	2,296.91
Other Borrowing Cost	55.47	82.93
Total	2,304.18	2,379.84



Notes forming part of the financial statements

		₹ lakhs
26 Other Expenses	31.03.2015	31.03.2014
Stores	2,277.96	2,481.85
Repairs and Maintenance		
Buildings	102.87	59.49
Machinery	532.79	463.21
Others	58.73	37.15
Processing Charges	198.88	285.59
Power and Fuel	5,790.02	6,223.57
Selling Expenses	1,393.35	1,442.28
Insurance	67.58	70.21
Postage, Telephone and Printing	44.66	46.37
Travelling and Transport charges	189.59	153.24
Bank charges	88.49	94.01
Taxes and Licence	113.94	132.91
Professional charges	37.61	39.24
Auditors' Remuneration(Refer Note 26.1 below)	10.64	10.09
Directors' Sitting fees	3.69	2.98
Agri Expenses	20.13	18.89
Others	160.28	158.99
Total	11,091.21	11,720.07
26.1 Auditors' Remuneration:		
As Auditor	5.00	5.00
Tax Audit Fee	1.30	1.30
Others	4.34	3.79
Total	10.64	10.09
27	The exceptional item represents Voluntary Retirement compensation to the employees of the company.	
28 Additional Information to the Financial Statements		
28.1	Estimated amount of contracts remaining to be executed on capital & Spares account and not provided for	
	150.51	-
28.2 Contingent Liabilities:		
Letters of Credit	-	123.62
Bank Guarantees	176.20	6.00
Bills discounted with company's bankers	423.82	2,454.86
Disputed demands from Income tax authorities	439.92	480.55
Disputed Excise duty liability	75.98	75.98
Disputed Sales tax liability	246.88	83.93
Corporate Guarantee to bank on behalf of subsidiary	140.00	140.00
28.3 Earnings in Foreign Exchange:		
Export of Goods(FOB value)	13,332.78	14,683.92



Notes forming part of the financial statements

28.4 Expenditure in Foreign Exchange:	31.03.2015	31.03.2014
Foreign Travel	14.52	5.57
Commission	195.59	143.72
Others	18.91	22.08
CIF value of imports		
- Raw Materials	1,705.34	378.24
- Components and Spares	166.77	401.15
- Capital Goods	501.47	
Total	2,602.60	950.76

28.5 Details of receivables covered and outstanding as at year end:

Particulars	FCY		Value	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Forward Cover				
- Export (USD)	1,572,011	2,335,316	1,000	1,461
- Import (USD)	—	192,681	—	120

28.6 Details of Foreign currency exposures that are not covered as at year-end.

Particulars	FCY		Value	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Trade Receivables				
USD	189,061	80,856	116	50
Trade Payables				
USD	470,403	21,768	292	15
EURO	18,389	24,634	12	23
CHF	36,938	78	24	—

28.7 Earnings per Share: The following reflects the income and share data used in the computation of basic earnings per share

Amount used as Numerator

Net Profit attributable to the ordinary shareholders for Basic

and Diluted Earnings per Share **(1174.23)** 332.44

No. of ordinary shares used as denominator **550.00** 550.00

Nominal value per share (₹) **1.00** 1.00

Basic and Diluted Earnings per share - Face value of ₹1 per share (₹) **(2.13)** 0.60

28.8 Details of employee benefits as required by the Accounting Standard 15 (Revised) are as under:

- a) Description of the company's defined plan: The company operates a defined plan for payment of post employment benefits in the form of gratuity.

Benefits under the plan are based on pay and years of service and are vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefit are common for all the employees of the company.

Notes forming part of the financial statements

- b) Reconciliation in respect of the changes in the present value of the obligation: ₹ lakhs

Particulars	31.03.2015	31.03.2014
Present value of the Obligation as on 1st April	991.77	931.65
Current Service Cost	40.35	40.38
Interest Cost	80.54	73.49
Actuarial Gains and Losses	36.97	(4.95)
Benefits Paid	(213.36)	(48.80)
Present value of the Obligation as on 31st March	936.27	991.77

The liability of the company as of 31st March 2015 has been funded to the extent of ₹ 480.96 lakhs.

- c) Reconciliation in respect of the changes in the Fair Market Value of the Plan Assets:

Particulars	31.03.2015	31.03.2014
Fair value of the Plan Assets as on 1st April	564.51	539.52
Expected Rate of Return	46.72	49.00
Actuarial Gains and (Losses)	(5.91)	1.26
Contributions by the Employer	89.00	23.53
Benefits paid	(213.36)	(48.80)
Fair value of the Plan Assets as on 31st March	480.96	564.51

No reimbursement rights were available at the beginning or / at the end of the year for recognition as an asset.

- d) The total expenses recognised in the Statement of Profit and Loss is as follows:

Particulars	31.03.2015	31.03.2014
Current Service Cost	40.35	40.38
Interest Cost	80.54	73.49
Expected Return on Plan Assets	(46.72)	(49.00)
Actuarial Gains and Losses	42.88	(6.21)
Amount recognised in the Statement of Profit and Loss	117.05	58.66

The expenses has been included under the head "Gratuity Fund Contributions" under the "Employees Benefit Expenses" in the Statement of Profit and Loss.

- e) Investment Details: LIC Group Gratuity (Cash Accumulation) Policy - 100% invested in Debt instruments.

- f) Principal Actuarial Assumptions used at the Balance Sheet date is as follows:

Particulars	31.03.2015	31.03.2014
Discount Rate	7.80%	9.10%
Expected Rate of Return on Plan Assets	8.75%	9.30%
Attrition Rate	1.00%	1.00%
Rate of escalation in salary (per annum)	4.00%	5.00%

The estimates of rates of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

g) Reconciliation of Fair Value of Plan Assets and Obligations:

₹ lakhs

Particulars	31.03.2015	31.03.2014
Present value of the Defined Benefit Obligation	936.27	991.77
Fair value of Plan Assets	480.96	564.51
Deficit in Plan Assets	455.31	427.26
Experience Adjustments arising on Plan Liabilities as an amount	(20.34)	(71.56)
Experience Adjustments arising on Plan Assets as an amount	(5.91)	1.26

28.9 Related Party Disclosure (as certified by the Management)

(I) Names of Related parties and description of relationship

a) Key Management Personnel	Sumanth Ramamurthi, Executive Chairman A.S.Thirumoorthy, Managing Director
b) Subsidiaries	Sara Elgi Arteriors Ltd Elgi Building Products Ltd
c) Others	Elgi Electric and Industries Ltd Sara Elgi Industries Ltd Kakatiya Textiles Ltd Super Sara Textiles Ltd Super Farm Products Pvt Ltd Sara Elgi Envirotech LLP

(ii) Related Party Transactions

₹ lakhs

Nature of Transaction	Subsidiary		Others		Key Management Personnel		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Purchase of goods	0.75	0.01	321.28	2,224.98	-	-	322.03	2,224.99
Sale of Goods	-	-	132.03	638.33	-	-	132.03	638.33
Sale of fixed assets	-	-	-	16.36	-	-	-	16.36
Sale of Investments	-	-	-	115.30	-	-	-	115.30
Purchase of fixed assets	0.37	-	-	-	-	-	0.37	-
Managerial Remuneration	-	-	-	-	89.04	38.70	89.04	38.70
Service charges paid	0.14	-	1.26	1.32	-	-	1.40	1.32
Rent received	8.76	8.76	11.17	12.66	-	-	19.93	21.42
Rent expended	-	-	2.43	3.24	-	-	2.43	3.24
Interest Received	6.29	8.25	-	-	-	-	6.29	8.25
Other Expenses	0.14	-	0.34	0.70	-	-	0.48	0.70
Other Receipts	-	-	12.27	64.75	-	-	12.27	64.75
Interest expended	-	-	-	-	3.24	3.55	3.24	3.55
Loan Received	-	-	-	-	-	15.00	-	15.00
Loan Repaid	-	-	-	-	7.00	15.16	7.00	15.16
Short term loans and advances received back	265.00	-	-	-	-	-	265.00	-



Nature of Transaction	Subsidiaries		Others		Key Management Personnel		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Short Term Loan & Advances paid	-	-					-	-
Royalty Income	-	-	4.50				4.50	-
Other Income	-	-					-	-
Amount outstanding at year end - Dr	-	269.57	549.24	492.99			549.24	762.56
Amount outstanding at year end - Cr	0.82	-	3.09		28.45	35.00	32.36	35.00

28.10 Disclosure as per Clause 32 as per Listing agreement with Stock Exchange

- a. Loans and advances in the nature of loans given to subsidiary - Sara Elgi Arteriors Ltd

As at 31.03.2015 -

As at 31.03.2014 ₹ 79.57 lakhs

Maximum balance during the year ₹ 79.57 lakhs

- b. Investment by Sara Elgi Arteriors Ltd
- | | No of shares | Value in ₹ lakhs |
|---|--------------|------------------|
| In Parent : Super Spinning Mills Ltd | Nil | Nil |
| In Subsidiary : Elgi Building Products Ltd | 4,196,408 | 293.75 |

28.11 The company operates in one primary segment. viz., Textiles.

28.12 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

For and on behalf of the Board

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

A S Thirumoorthy
Managing Director
DIN : 03604474

Coimbatore, 27th May, 2015

N Hemanand
Chief Financial Officer

R Srikanth
Company Secretary



Statement Pursuant to Section 129(3) of the Companies Act, 2013

1	Name of the Subsidiary Company	Sara Elgi Arteriors Ltd	Elgi Building Products Ltd
2	Financial year ending	31st March 2015	31st March 2015
3	No. of Equity shares (fully paid up) held by the holding company on the above dates	25,00,000	29,99,592
4	Extent of Holding company's interest	100.00%	41.68%
5	Net aggregate amount of subsidiary's Profit / (Losses)		
	a) not dealt with in the accounts of the company		
	i) for the year ended 31st March 2015	₹ 5.53 lakhs	₹ (3.62) lakhs
	ii) for the previous financial year	₹ 4.43 lakhs	₹ 0.86 lakhs
	b) dealt with in the accounts of the company		
	i) for the year ended 31st March 2015	Nil	Nil
	ii) for the previous financial year	Nil	Nil

Note:

- Changes in the interest of the holding company between the end of the subsidiary's financial year and holding company's financial year - Nil
- Material changes between the end of the subsidiary's financial year and holding company's financial year - Nil

Disclosure of Information relating to the subsidiary companies as required by the Ministry of Corporate Affairs, Government of India vide their Circular no:02/2011 dated 08.02.2011

₹ lakhs

SI No	Particulars	Sara Elgi Arteriors Limited	Elgi Building Products Limited
a.	Share Capital	250.00	1,469.60
b.	Reserves	350.23	(833.43)
c.	Total Assets	733.16	790.85
d.	Total Liabilities	733.16	790.85
e.	Details of Investments	293.75	-
f.	Total Income	435.50	221.12
g.	Profit / (Loss) before Tax	9.28	(5.11)
h.	Provision for Taxation	3.75	(1.50)
i.	Profit / (Loss) after Tax	5.53	(3.62)
j.	Proposed Dividend	-	-

For and on behalf of the Board

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

A S Thirumoorthy

Managing Director

DIN : 03604474

N Hemanand
Chief Financial Officer

R Srikanth
Company Secretary

Coimbatore, 27th May, 2015



Independent Auditors Report on Consolidated Financial Statements

To

The Members of Super Spinning Mills Limited,

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of SUPER SPINNING MILLS LIMITED ("the Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprises the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, Consolidated 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 Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountant Of India. Those Standards and pronouncement require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 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 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 accounting policies used and the reasonableness of the accounting estimates made by the 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 auditor in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements specified under Section 133 of the Companies Act, 2013.

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 state of affairs of the Group as at 31st March, 2015, its losses and its cash flows for the year ended on that date.

Other Matters

The accompanying consolidated financial statements include total assets of ₹ 1524.01 lakhs as at March 31, 2015, and total revenues and net cash outflows of ₹ 534.61 lakhs and ₹ 25.42 lakhs for the year ended on that date, in respect of subsidiaries, which have been audited by other auditor, whose financial statements, other financial information and auditor's report have been furnished to us by the management. 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, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditor.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2015 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of accounts as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;
 - 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 books of account.

- 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 as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 Consolidated Financial Statements has disclosed the impact of pending litigations on its consolidated financial position of the Group included in Note No. 28 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For **Reddy, Goud & Janardhan**
Chartered Accountants
Registration No.003254S
Balakrishna S Bhat
Partner
Membership No.202976

Coimbatore
27th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Group for the year ended March 31, 2015)



According to the information and explanations given to us by the Company and as reported by the other auditor who audited the financial statements of the subsidiaries, we report that:

- i) (a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Group has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii) (a) In our opinion and according to the information and explanations given to us, the Group has conducted the physical verification of inventories at reasonable intervals during the year under review.
- (b) In our opinion and according to the information and explanations given to us, 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) According to the information and explanations given to us, we are of the opinion that the Group is maintaining proper records of inventories and no material discrepancies were noticed on their physical verification.
- iii) (a) The Group had not granted any loans, secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. Hence comments on the provisions of clause (iii) (a) to (c) of the said order do not arise.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group and the nature of its business, with regard to the purchase of inventories and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) In our opinion and according to the information and explanations given to us, The Group has not accepted any deposit within the meaning of Section 73 to 76 of the Companies Act, 2013, and Rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima-facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete. However, provisions of this clause are not applicable to its subsidiaries as reported by the other auditor.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Group, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, excise duty, wealth-tax, service tax, customs duty, excise duty, Value added tax, cess and other material statutory dues have been regularly deposited during the year by the Group with appropriate authorities. There are no undisputed statutory dues as referred to above as at 31st March 2015 outstanding for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the disputed statutory dues that have not been deposited on account of matters pending before the appropriate authority are as under:



Name of Statute	Nature of Dues	Issues in the Appeal	Unpaid Amount (₹in lakhs)	Period to which the amount relates	Forum Where Dispute is Pending
Income Tax Act, 1961	Income Tax	Disallowance of replacement of machinery	439.92	1993-94, 1994-95, 1996-97, 1998-99 to 2000-01, 2002-03 to 2008-09	CIT(Appeals), Coimbatore
Income Tax Act, 1961	Income Tax	Disallowance U/s 14A	10.48	2011-12	CIT(Appeals), Coimbatore
APGST Act, 1957	Sales Tax	Disallowance of Stock Transfer to branch & Tax due on other pending declaration forms	162.96	2010-11	ADC, Kurnool & STAT, Visakhapatnam
TNGST Act, 1959	Sales Tax	Levy of Penalty for Issue of C Forms	83.93	1998-99	High Court, Chennai
TNGST Act, 1959	Sales Tax	CST Rate difference	1.24	2010-11 and 2011-12	Appellate DCCT, Coimbatore
TNGST Act, 1959	Sales Tax	CST Rate difference	149.42	2004-08	Honorable High Court of Tamil Nadu
TNGST Act, 1959	Sales Tax	Detention of Goods by roving Squad II	0.83	2010-11	JCCT (RP), Coimbatore
Central Excise Act, 1944	Excise Duty	Capital goods moved without payment of duty and Dispute on input duty assessed	75.98	2003-04	Commissioner of Appeals, Coimbatore

- (c) According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Group has incurred accumulated losses aggregating to ₹ 4911.17 lakhs as at the end of the financial year and has incurred cash losses of ₹ 638.63 lakhs in the current financial year. However, the group has not incurred cash losses during the immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Group has not defaulted in repayment of dues to banks or financial institutions. There are no debenture holders during the year.
- (x) In our opinion, the group has not given guarantees for loans taken by others from banks or financial institutions and hence comments on this clause do not arise.
- (xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management and reports of the other auditor who audited the financial statements of the subsidiaries, which we have relied upon, we report that no fraud on or by the Holding Company and its subsidiaries have been noticed or reported during the year.

For Reddy, Goud & Janardhan

Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner

Membership No.202976

Coimbatore
27th May, 2015



Consolidated Balance Sheet as at 31st March 2015

Particulars	Note No.	31.03.2015	₹ lakhs 31.03.2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	550.00	550.00
(b) Reserves and surplus	4	5,056.92	6,584.73
2 Non-current liabilities			
(a) Long-term borrowings	5	3,967.56	3,156.86
(b) Other long-term liabilities	6	—	43.53
(c) Long-term provisions	7	437.71	459.09
3 Current liabilities			
(a) Short-term borrowings	8	7,694.01	10,008.96
(b) Trade payables	9	5,087.62	4,765.12
(c) Other current liabilities	10	2,445.39	2,332.98
(d) Short-term provisions	11	290.75	393.90
TOTAL		25,529.96	28,295.17
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	12.a	9,751.02	10,171.68
Intangible assets	12.b	1.97	157.37
Capital Work in Progress	12.c	—	83.95
(b) Non-current investments	13	1,330.83	1,330.83
(c) Deferred tax assets (Net)	14	1,579.70	945.35
(d) Other Non Current assets	15	1,339.04	14.01
2 Current assets			
(a) Inventories	16	4,140.91	6,356.97
(b) Trade receivables	17	4,019.27	4,717.46
(c) Cash and Bank Balances	18	148.11	261.84
(d) Short-term loans and advances	19	2,623.58	3,502.02
(e) Other current assets	20	595.53	753.69
TOTAL		25,529.96	28,295.17

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

Coimbatore, 27th May, 2015

N Hemanand
Chief Financial Officer

For and on behalf of the Board
Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

A S Thirumoorthy
Managing Director
DIN : 03604474

R Srikanth
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2015

		₹ lakhs	
Particulars	Note No.	31.03.2015	31.03.2014
I. Revenue from operations	21	44,576.90	52,843.73
II. Other income	22	577.87	493.25
III. Total Revenue		45,154.77	53,336.98
IV. Expenses:			
Cost of materials consumed	23.a	26,706.26	30,888.83
Purchases of Stock-in-Trade	23.b	205.00	1,438.00
Changes in inventories of Finished goods, Work-in Progress and Stock in Trade	23.c	(217.16)	(593.62)
Employee benefits expense	24	5,404.88	5,295.75
Finance costs	25	2,307.24	2,381.83
Depreciation and amortization expense	12.d	1,227.02	1,711.39
Other expenses	26	11,200.22	11,837.00
Total Expenses		46,833.46	52,959.18
V. Profit before exceptional and extraordinary items and tax (III-IV)		(1,678.69)	377.80
VI. Exceptional items	27	186.96	39.50
VII. Profit before extraordinary items and tax (V - VI)		(1,865.65)	338.30
VIII. Extraordinary Items			
IX. Profit / (Loss) Before Tax (VII - VIII)		(1,865.65)	338.30
X. Tax expense:			
Current tax		3.49	3.93
Deferred tax		(542.07)	148.64
XI. Profit / (Loss) After Tax (IX-X)		(1,327.07)	185.73
XII. Earnings per share:			
Basic and Diluted		(2.41)	0.34

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

For and on behalf of the Board

Sumanth Ramamurthi

Executive Chairman

DIN : 00002773

A S Thirumoorthy

Managing Director

DIN : 03604474

N Hemanand

Chief Financial Officer

R Srikanth

Company Secretary

Coimbatore, 27th May, 2015



Consolidated Cash Flow Statement for the year ended 31st March, 2015

		₹ lakhs
A. Cash Flow from operating activities :	2014-15	2013-14
Net Profit before tax and extraordinary items	(1865.65)	338.30
Adjustment for :		
Depreciation and amortisation Expenses	1227.02	1711.39
(Profit)/Loss on sale of assets	(371.05)	(105.21)
(Profit)/Loss on sale of investments	—	(4.30)
Interest Income	(57.45)	(320.49)
Interest Payments	2,248.92	2,296.93
Unrealised exchange (gain) / Loss	(4.02)	(2.43)
Operating Profit before working capital changes	1177.77	3914.19
Adjustments for :		
Trade receivables	236.21	(220.12)
Other receivables	383.55	(41.19)
Inventories	2216.06	(1259.80)
Other Bank balances	(1.91)	4.35
Trade and other payables	158.69	10.17
Cash generated from operations	4170.37	2407.60
Direct taxes paid	210.00	300.00
Net Cash Flow from operating activities (A)	3960.37	2107.60
B Cash Flow from Investing activities :		
Purchase of fixed assets [Including CWIP]	(1003.32)	(1040.21)
Sale of fixed assets	514.33	137.93
Purchase of investments	—	(16.42)
Sale of investments	—	115.30
Interest received	57.45	320.49
Net cash used for investing activities (B)	(431.54)	(482.91)
C Cash Flow from financing activities :		
Long term borrowings	919.40	2090.30
Interest paid	(2248.92)	(2296.93)
Working capital borrowings	(2308.40)	(1403.83)
Unsecured loans & deposits	(6.55)	(2.11)
Net cash flow from financing activities (C)	(3644.47)	(1612.57)
Net Increase / (Decrease) in cash and cash equivalent	(115.64)	12.12
Cash and cash equivalents - Opening	253.58	241.46
Cash and cash equivalents - Closing	137.94	253.58
1. Cash and Cash Equivalents		
a Cash on Hand	6.03	4.97
b Cheque in transit	0.80	1.28
c Balance with banks: On current accounts	131.11	247.33
	137.94	253.58
2. Other Bank balances		
a Earmarked balance with banks on unpaid dividend accounts	1.68	8.26
b Margin Money Deposit	8.49	—
	10.17	8.26
Cash and Bank balances as per Balance Sheet (Note No.18) (I + II)	148.11	261.84

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants

Registration No.003254S

Balakrishna S Bhat

Partner, Membership No.202976

Coimbatore, 27th May, 2015

N Hemanand
Chief Financial Officer

For and on behalf of the Board
Sumanth Ramamurthi
Executive Chairman
DIN : 00002773

A S Thirumoorthy
Managing Director
DIN : 03604474

R Srikanth
Company Secretary



Notes forming part of the Consolidated financial statements

1 Corporate Information

Super Spinning Mills Limited is a public limited company incorporated under the provisions of the Companies Act, 1956. The company is engaged in the manufacture and selling of cotton yarn and its shares are listed on the Bombay Stock Exchange and the National Stock Exchange. The company has manufacturing units in Tamil Nadu and Andhra Pradesh.

2 Significant Accounting Policies

2.1 Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

2.2 Fixed Assets

- a. Fixed assets are stated at historical cost of acquisition (Net of Cenvat credits) less accumulated depreciation / amortisation and cumulative impairment, if any. Cost of acquisition includes freight, duties, taxes, installation, direct attributable costs, finance cost and commissioning.
- b. Capital Work in Progress, projects under commissioning are carried forward at cost. Incidental expenditure in relation to projects under commissioning is carried forward till completion of project and comprises of direct cost, related incidental expenditure and attributable interest.

2.3 Depreciation

- a. Depreciation on Fixed assets other than those referred to in (b) is provided based on the useful life of the assets in the manner prescribed in Schedule II of the Companies Act, 2013.
- b. The company considering useful life of the following assets different from Schedule II of the Companies Act, 2013, with supporting of Technical opinion:
 - i. Plant & Machinery Single Shift – 20 Years
 - ii. Plant & Machinery Triple Shift – 10 Years
 - iii. Roads, Fences, Walls – 15 Years
- c. ERP software & other software is amortised over a period of five years, being the estimated useful life of the asset.

2.4 Investments

Long-term investments are stated at cost less provision, if any, for diminution in value, which is other than temporary. Current investments are stated at lower of cost and fair value. The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as goodwill or capital reserve, as the case may be. Goodwill arising out of acquisition of equity stake in a subsidiary is amortised over a period of five years.

2.5 Valuation of Inventories

Inventories of Raw Materials, Work-in Process, Finished goods, Stores and Spares are stated at lower of cost or net realisable value. Cost comprises all cost of purchase, cost of conversion and any other costs incurred in bringing the inventories to their present location and condition. Cost formula used is weighted average. Due allowance is estimated and made for defective and obsolete items whether necessary, based on the past experience of the company.

2.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits. Contingent liabilities are not recognised but are disclosed in the Notes forming part of the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

2.7 Recognition of Income and Expenditure

- a. The company follows the mercantile system of accounting and recognised income and expenditure on accrual basis except those with significant uncertainties.
- b. Sales is accounted when the risk and reward of ownership are passed on to the customers.
- c. Domestic sales as reported in the statement of profit and loss are inclusive of excise duty, wherever applicable and exclusive of other taxes, if any, and trade discounts. Income from



Notes forming part of the Consolidated financial statements

export entitlements is accounted as and when the certainty of entitlement is determined.

- d. Revenue from services rendered is recognised as the service is performed based on agreements/ arrangements with the concerned parties.
- e. Interest is recognised using the time-proportion method, based on rates implicit in the transaction.
- f. Dividend income is recognised when the Company's right to receive dividend is established.

2.8 Employee benefits / Retirement benefits of employees

- a. Gratuity benefits are administered by Trust formed for this purpose through the Group Scheme of Life Insurance Corporation of India. The provision of gratuity liability is actuarially determined at the year-end and the liability arising on such valuation is charged to the Statement of Profit and Loss.
- b. Provident fund contribution is as per the rates prescribed by the Employees' Provident Funds Act, 1952 and the same is charged to revenue.
- c. Superannuation fund contribution is paid according to company rules to the Life Insurance Corporation of India and charged to revenue.
- d. Voluntary Retirement Compensation is expended in the year of payment as per the Revised Accounting Standard AS 15.

2.9 Government Grants

- a) Government Grants are recognized when there is a reasonable assurance that the company would comply with the conditions attached for such grant and further the grant would be received
- b) Revenue grants are recognized in the Statement of Profit and Loss.
- c) Interest reimbursement under Technology Up gradation Fund Scheme (TUFS) is directly credited to respective term loan interest accounts, being reimbursement of expenditure incurred.

2.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets

are capitalised as part of the cost of such assets. All other borrowing costs are charged to revenue.

2.11 Exchange Fluctuation

- a) All loans and deferred credits repayable in Foreign Currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. In respect of revenue transactions covered by forward exchange contracts, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of the contract.
- b) Balances in the form of current assets and current liabilities in foreign exchange outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is charged to the Statement of Profit and Loss.
- c) All other income or expenditure in foreign currency is recorded at the rates of exchange prevailing on the dates when the relevant transactions took place.

2.12 Operating Lease

Assets taken on lease, under which, all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

2.13 Taxes on Income

Tax expense comprises of current and deferred tax. Current tax and deferred tax are accounted for in accordance with Accounting Standards (AS 22) on "Accounting for Taxes on Income", issued by The Institute of Chartered Accountants of India. Current tax is measured at the amount expected to be paid to the tax authority using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at

Notes forming part of the Consolidated financial statements

relevant enacted / substantially enacted rates. At each Balance Sheet date, the company reassesses unrealised deferred tax assets to the extent they become reasonably certain or virtually certain of realisation as the case may be.

2.14 Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is

charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting period is reversed in current accounting periods if there has been a change in the estimate of the recoverable amount.

2.15 Earnings Per Share

Basic and Diluted earnings per share is calculated by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

	31.03.2015	₹ lakhs 31.03.2014
3 Share Capital		
Authorised		
10,00,00,000 (10,00,00,000) Equity shares of ₹ 1/- each	1000.00	1000.00
Issued, Subscribed & Fully Paid Up		
5,50,00,000 (5,50,00,000) Equity shares of ₹ 1/- each	550.00	550.00
Total	550.00	550.00

3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2015		As at 31.03.2014	
	₹ lakhs	No. of shares	₹ lakhs	No. of shares
No. of Equity shares outstanding at the beginning of the year	550.00	55,000,000	550.00	55,000,000
Add: Additional shares / Bonus shares issued	-	-	-	-
Less: Shares forfeited / Bought back	-	-	-	-
No. of Equity shares outstanding at the end of the year	550.00	55,000,000	550.00	55,000,000

3.2 Shares held by holding / ultimate holding company / or their subsidiaries / associates

- -

3.3 Shareholders holding more than 5% of shares

Name of the Shareholder	As at 31.03.2015		As at 31.03.2014	
	No of Shares	% of Holding	No of Shares	% of Holding
Sumanth Ramamurthi	8,773,860	15.95	8,668,220	15.76
Nikhil Govind Ramamurthi	4,000,000	7.27	4,000,000	7.27
Sanjay Krishna Ramamurthi	4,000,000	7.27	4,000,000	7.27

3.4 The company has only one class of issued shares referred to as equity shares having a par value of Re.1/- each. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividends in indian rupees. However during the year the company has not declared any dividend. The dividend (except in case of interim dividend) proposed by the Board of Directors, if any, is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.



Notes forming part of the Consolidated financial statements

	31.03.2015	₹ lakhs 31.03.2014
3.5 Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date	—	—
3.6 Shares reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment , including the terms and amounts	—	—
4 Reserves and Surplus		
a. Surplus in Statement of Profit and Loss		
Opening Balance	(3,584.09)	(3,769.82)
Add: Amount Transferred from statement of profit and loss	(1,327.07)	185.73
Less: Utilised / Transferred	—	—
Closing Balance	<u>(4,911.16)</u>	<u>(3,584.09)</u>
b. Capital Reserve		
Opening Balance	51.02	51.02
Add: Additions	—	—
Less: Utilised / Transferred	—	—
Closing Balance	<u>51.02</u>	<u>51.02</u>
c. Securities Premium Reserve		
Opening Balance	1,487.50	1,487.50
Add: Additions	—	—
Less: Utilised / Transferred	—	—
Closing Balance	<u>1,487.50</u>	<u>1,487.50</u>
d. General Reserve		
Opening Balance	8,630.30	8,630.30
Add: Additions	—	—
Less: Carrying amount of Fixed Assets debited to retained earnings where remaining useful life of the asset is NIL as on 01.04.2014	293.02	
Less: Reversal of Deferred tax on above	92.28	
	<u>200.74</u>	—
Closing Balance	<u>8,429.56</u>	<u>8,630.30</u>
Total	<u>5,056.92</u>	<u>6,584.73</u>
5 Long-term Borrowings		
Term Loans (Secured)		
From Banks	3,967.56	3,156.86
Total	<u>3,967.56</u>	<u>3,156.86</u>

Notes forming part of the Consolidated financial statements

5.1 Repayment Schedule

Long Term Borrowings	Quarterly / Monthly Instalments	Rate of Interest (%)	Final Instalment
State Bank of India - TL -1	36	14.60	Mar 18
Andhra Bank	60	14.25	Mar 20
State Bank of India - TL-2	60	14.65	Dec 20
SBI - Term Loan (TUFS)	59	14.65	Nov 20

5.2 Details of security for Long-term Borrowings

The Tuf loan from SBI bank is secured by:

- First charge on fixed asset financed by SBI , and Second charge on entire current asset and other fixed assets of the "company on paripassu basis"
- Personal Guarantee from promoter

The term loan from SBI bank is secured by:

- First Pari-passu charge on entire fixed asset of the company, and First charge on entire current asset of the company
- Personal Guarantee from promoter

The term loans from Andhra Bank is secured by:

- First Pari-passu charge on entire fixed asset of the company
- Second charge on current assets of the Company.

		₹ lakhs
6 Other Long-term Liabilities	31.03.2015	31.03.2014
Security Deposits	—	30.16
Sundry Creditors	—	2.64
Advance from Customers	—	10.73
Total	—	43.53
7 Long-term Provisions		
Gratuity	437.71	408.31
Statutory Liabilities	—	50.78
Total	437.71	459.09
8 Short-term Borrowings		
Loans repayable on demand		
From Banks	7,665.56	9,973.96
From Directors	28.45	35.00
Total	7,694.01	10,008.96



Notes forming part of the Consolidated financial statements

8.1 Working Capital loans from banks are secured by:

For SBI:

- First charge on entire current assets of the company
- Second paripassu charge on entire fixed assets of the company

For ICICI:

- First pari passu charge by way of Hypothecation on entire current assets of the company.
- Second paripassu charge and mortgage on specific Moveable and Immoveable properties of the Company.

For Other Banks:

- First pari passu charge on entire current assets of the company
- Second paripassu charge on entire fixed assets of the company

"Working Capital loans are payable on demand and carries interest rate for Cash Credit -- [14.22% to 15%] "& for Packing Credit [10.45% to 11.25%]"

9 Trade Payables

Based on the information and evidence available with the company, there are no dues to Micro, Small and Medium Enterprises, outstanding as on 31.03.2015.

		₹ lakhs
	31.03.2015	31.03.2014
10 Other Current Liabilities		
Current Maturities of Long Term Borrowings	870.00	761.30
Interest Accrued but not due	75.79	107.95
Unpaid Dividends	1.68	8.26
Advance received from related party	150.80	-
Statutory Remittances	63.30	53.85
Liabilities for expenses	544.04	731.77
Employee Benefits Payable	204.56	201.71
Advance from Customers	443.99	347.78
Others	91.23	120.36
Total	2,445.39	2,332.98
11. Short-term Provisions		
For Bonus	269.66	254.31
Provision for Taxation	3.69	120.01
For Gratuity	17.40	19.58
Total	290.75	393.90



Notes forming part of the Consolidated financial statements

12 Fixed Assets

₹ lakhs

Sl No	Particulars	Gross Block				Depreciation / Amortisation				Net Block		
		As at 01.04.14	Additions	Disposals	As at 31.03.15	As at 01.04.14	For the year	Disposals	Retained Earnings	As at 31.03.15	As at 31.03.15	As at 31.03.14
12.a	Tangible Assets											
	Land	827.40	12.66	0.75	839.31	—	—	—	—	—	839.31	827.40
	Buildings	5,839.50	13.43	63.97	5,788.96	1,857.35	193.40	15.98	34.02	2,068.79	3,720.17	3,982.15
	Plant and Equipment	33,972.57	1,016.87	993.19	33,996.25	28,875.75	832.20	898.85	159.78	28,968.88	5,027.37	5,096.82
	Data Processing Machinery	693.89	35.90	0.81	728.98	560.27	24.89	0.77	44.75	629.14	99.84	133.62
	Furniture and Fixtures	274.60	2.05	—	276.65	174.03	11.78	—	47.63	233.44	43.21	100.57
	Vehicles	239.49	6.36	2.44	243.41	208.37	9.42	2.28	6.78	222.29	21.12	31.12
	Total	41,847.45	1,087.27	1,061.16	41,873.56	31,675.77	1,071.69	917.88	292.96	32,122.54	9,751.02	10,171.68
12.b	Intangible Assets											
	Computer software	313.77	—	—	313.77	306.63	5.10	—	0.07	311.80	1.97	7.14
	Goodwill on Consolidation	601.64	—	—	601.64	451.41	150.23	—	—	601.64	—	150.23
	Total	915.41	—	—	915.41	758.04	155.33	—	0.07	913.44	1.97	157.37
12.c	Capital Work in Progress											
	Plant & Machinery	83.95	—	83.95	—	—	—	—	—	—	—	83.95
	Total	83.95	—	83.95	—	—	—	—	—	—	—	83.95
	Grand Total	42,846.81	1,087.27	1,145.11	42,788.97	32,433.81	1,227.02	917.88	293.03	33,035.98	9,752.99	10,413.00
	Previous Year	42,254.73	1,089.76	497.68	42,846.81	31,137.86	1,711.39	415.41	—	32,433.84	10,412.97	11,116.87

₹ lakhs

12.d Depreciation and Amortisation for the year on	31.03.2015	31.03.2014
Tangible Assets as per Note 12.a	1,071.69	1,561.14
Intangible Assets as per Note 12.b	155.33	150.25
Total	1,227.02	1,711.39

13 Non-current Investments

Investments in Equity Shares

Trade Unquoted (At Cost)

Andhra Pradesh Gas Power Corporation Ltd 9,38,000 (9,38,000) shares of ₹ 10 each fully paid	1,293.02	1,293.02
MMS Steel and Power Ltd 2,03,938 (2,03,938) shares of ₹ 10 each fully paid	20.39	20.39
Suryadev Alloys Steels 900 (0) shares of ₹ 10 each fully paid	1.22	1.22
Cotton Sourcing Company Ltd 10,000 shares of ₹ 10 each fully paid	1.00	1.00

Investments in Bonds

Mercantile Ventures Limited Zero% Unsecured, convertible bonds	15.20	15.20
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Aggregate value of unquoted investments (At Cost)

Fair value - ₹ 1330.83 lakhs (Previous year - ₹ 1330.83 lakhs)

1,330.83	1,330.83
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Notes forming part of the Consolidated financial statements

14 Deferred Tax Liabilities / (Assets)

Particulars	Balance as of 31.03.2014	Charge / Credit	Closing as of 31.03.2015
Depreciation	1139.32	(7.26)	1132.06
Loss	(1822.07)	(592.09)	(2414.16)
Others	(262.60)	(35.00)	(297.60)
Total - Liability / (Asset)	(945.35)	(634.35)	(1579.70)

₹ lakhs

15 Non Current Assets	31.03.2015	31.03.2014
Trade Receivable (Refer Note 15.1)	461.98	—
Advance to Suppliers	—	6.63
Security Deposit	575.48	—
MAT Credit	296.66	—
R&D Expenses	4.92	7.38
Total	1,339.04	14.01

15.1.1 Trade receivables due from certain customers are under litigation at various forums. However, management is confident of recovering these dues and hence no provision for doubtful debts is required to be provided.

15.1.2 Item shown in Non current Assets in current year were grouped under current assets in the previous year.

16 Inventories

Valued at Cost or Net Realisable value whichever is lower

Raw Materials	1,660.60	4,009.81
Work in Process	1,149.30	1,203.91
Finished Goods	1,015.77	740.75
Stores and Spares	251.61	335.62
Waste	61.36	64.19
Traded Goods	2.27	2.69
Total	4,140.91	6,356.97

17 Trade Receivables

(Unsecured, considered good)

Outstanding for a period exceeding six months	139.42	379.68
Others	3,879.85	4,337.78
Total	4,019.27	4,717.46

18 Cash and Bank Balances

1. Cash and Cash equivalents

a. Cash on Hand	6.03	4.97
b. Cheque in transit	0.80	1.28
c. Balance with banks: On current accounts	131.11	247.33

2. Other Bank balances

a. Earmarked balance with banks on unpaid dividend accounts	1.68	8.26
b. Margin Money Deposit	8.49	—

Total	148.11	261.84
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18.1 Margin money deposit with carrying amount of ₹ 8,49,000 (P.Y.-NIL) are held to secure the company's non fund based limits availed from Bank.



Notes forming part of the Consolidated financial statements

		₹ lakhs
	31.03.2015	31.03.2014
19 Short-term Loans and Advances		
Unsecured, considered good		
Advance for Purchases	8.65	0.30
Prepaid Expenses	145.38	186.28
Employee Related Advances	56.96	43.47
Payment of Taxes	1,846.60	2,041.58
Balance with Government Authorities	406.71	471.17
Other Deposits & Advances	159.28	759.22
Total	2,623.58	3,502.02
20 Other Current Assets		
Interest Accrued	59.60	58.47
Income Accrued	535.93	695.22
Total	595.53	753.69
21 Revenue from Operations		
Sale of products :		
Domestic	30493.70	
Export	13420.17	
	43,913.87	52,214.59
Other operating revenues	736.54	740.95
Less: Excise duty	73.51	111.81
Total	44,576.90	52,843.73
21.1 Other operating revenues Includes		
Job Work Charges	56.05	68.69
Labour Charges	—	24.49
Export Incentive	470.28	597.45
Others	210.21	50.32
	736.54	740.95
22 Other Income		
Interest Income(Refer Note 22.1 below)	57.45	320.49
Other Non-operating Income(Refer Note 22.2 below)	520.42	172.76
Total	577.87	493.25
22.1 Interest Income		
Interest on Electricity Deposits	50.73	49.63
Interest on IT refunds	—	266.08
Other Interest Receipts	6.72	4.78
Total	57.45	320.49



Notes forming part of the Consolidated financial statements

		₹ lakhs
22.2 Other Non-operating Income	31.03.2015	31.03.2014
Insurance Claim Receipts	0.58	—
Agri Income	3.73	4.19
Rent Receipts	17.62	17.58
Profit/(Loss) on sale of assets	371.05	105.21
Profit/(Loss) on sale of Investments	—	4.30
Exchange Gain/ (Loss) (Net)	127.44	41.48
Total	520.42	172.76
23.a Cost of Materials Consumed		
Opening Stock	4,009.81	3,359.67
Add: Purchase	24,357.05	31,538.97
Less: Closing Stock	1,660.60	4,009.81
Total	26,706.26	30,888.83
Material consumed comprises:		
Cotton	26,430.42	30,450.06
Resin and Additives	120.41	288.74
Steel Reinforcement	58.86	25.64
Profiles and Other accessories for doors and windows	96.57	124.39
Total	26,706.26	30,888.83
23.b Purchase of Traded goods		
Cotton Yarn	205.00	1,438.00
Spare for doors and Windows	—	—
Total	205.00	1,438.00
23.c Change in Inventories of Finished goods, Work-in Process & Stock in Trade		
Inventories at the end of the year		
Finished goods	1,015.77	740.75
Work-in Progress	1,149.30	1,203.91
Stock in Trade	2.27	2.69
Waste	61.36	64.19
Total	2,228.70	2,011.54
Inventories at the beginning of the year		
Finished goods	740.75	448.16
Work-in Progress	1,203.91	928.92
Stock in Trade	2.69	2.82
Waste	64.19	38.02
Total	2,011.54	1,417.92
Net (Increase) / Decrease	(217.16)	(593.62)



Notes forming part of the Consolidated financial statements

		₹ lakhs
24 Employee Benefit Expenses	31.03.2015	31.03.2014
Salaries	4,486.78	4,438.03
Contributions to		
- Provident Funds	209.51	213.46
- Super Annuation Funds	6.86	7.58
Gratuity Fund Contributions	116.23	60.06
Welfare Expenses	585.50	576.62
Total	5,404.88	5,295.75
25 Finance Cost		
Interest on Borrowings	2,248.92	2,296.93
Other Borrowing Cost	58.32	84.90
Total	2,307.24	2,381.83
26 Other Expenses		
Stores	2,278.08	2,483.34
Repairs and Maintenance		
Buildings	107.07	59.50
Machinery	532.79	468.25
Others	58.73	42.87
Processing Charges	203.08	292.91
Power and Fuel	5,816.60	6,260.32
Selling Expenses	1,429.46	1,476.99
Rent	1.40	2.11
Insurance	69.06	71.13
Postage, Telephone and Printing	46.47	48.57
Travelling and Transport charges	198.77	157.26
Bank charges	88.49	94.01
Taxes and Licence	115.46	133.50
Professional charges	40.12	40.80
Auditors' Remuneration(Refer Note 26.1 below)	12.27	11.69
Directors' Sitting fees	4.07	3.10
R & D Expenses WRITTEN OFF	2.46	2.46
Agri Expenses	20.13	18.89
Others	175.71	169.30
Total	11,200.22	11,837.00
26.1 Auditors' Remuneration:		
As Auditor	6.13	6.10
Tax Audit Fee	1.80	1.80
Others	4.34	3.79
Total	12.27	11.69



Notes forming part of the Consolidated financial statements

27 The exceptional item represents Voluntary Retirement compensation to the employees of the company.

₹ lakhs

28 Additional Information to the Financial Statements **31.03.2015** **31.03.2014**

28.1 Estimated amount of contracts remaining to be executed on capital & Spares account and not provided for **150.51** —

28.2 Contingent Liabilities:

Letters of Credit	—	123.62
Bank Guarantees	176.20	6.00
Bills discounted with company's bankers	423.82	2,454.86
Disputed demands from Income tax authorities	450.40	480.55
Disputed Excise duty liability	75.98	75.98
Disputed Sales tax liability	398.37	252.95

28.3 Earnings per Share: The following reflects the income and share data used in the computation of basic earnings per share

Amount used as Numerator

Net Profit attributable to the ordinary shareholders for

Basic and Diluted Earnings per Share **(1327.07)** 185.73

No. of ordinary shares used as denominator **550.00** 550.00

Nominal value per share **1.00** 1.00

Basic and Diluted Earnings per share - Face value of Re.1 per share (₹) **(2.41)** 0.34

28.4 Details of employee benefits as required by the Accounting Standard 15 (Revised) are as under:

- a) Description of the company's defined plan: The company operates a defined plan for payment of post employment benefits in the form of gratuity.

Benefits under the plan are based on pay and years of service and are vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefit are common for all the employees of the company.

- b) Reconciliation in respect of the changes in the present value of the obligation:

Particulars	31.03.2015	31.03.2014
Present value of the Obligation as on 1st April	995.00	933.75
Current Service Cost	41.03	41.02
Interest Cost	80.80	73.69
Actuarial Gains and Losses	35.52	(5.06)
Benefits Paid	(213.36)	(48.40)
Present value of the Obligation as on 31st March	938.99	995.00

The liability of the company as of 31st March 2015 has been funded to the extent of ₹ 484.63 lakhs.

Notes forming part of the Consolidated financial statements

- c) Reconciliation in respect of the changes in the Fair Market Value of the Plan Assets: ₹ lakhs

Particulars	31.03.2015	31.03.2014
Fair value of the Plan Assets as on 1st April	567.90	543.21
Expected Rate of Return	47.03	49.37
Actuarial Gains and (Losses)	(5.91)	0.20
Contributions by the Employer	88.97	23.52
Benefits paid	(213.36)	(48.40)
Fair value of the Plan Assets as on 31st March	484.63	567.90

No reimbursement rights were available at the beginning or at the end of the year for recognition as an asset.

- d) The total expenses recognised in the Statement of Profit and Loss is as follows: ₹ lakhs

Particulars	31.03.2015	31.03.2014
Current Service Cost	41.03	41.02
Interest Cost	80.80	73.69
Expected Return on Plan Assets	(47.03)	(49.37)
Actuarial Gains and Losses	41.43	(5.26)
Amount recognised in the Statement of Profit and Loss	116.23	60.08

The expenses has been included under the head "Gratuity fund contributions" under the "Employee Benefit Expenses" in the statement of profit and loss.

- e) Investment Details: LIC Group Gratuity (Cash Accumulation) Policy - 100% invested in Debt instruments.

- f) Principal Actuarial Assumptions used at the Balance Sheet date is as follows:

Particulars	31.03.2015	31.03.2014
Discount Rate	7.80-8.00%	8.0-9.10%
Expected Rate of Return on Plan Assets	8.00-8.75%	8.0-9.3%
Attrition Rate	1.00%	1.0%
Rate of escalation in salary(per annum)	4.0-8.0%	5.0-8.0%

The estimates of rates of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

- g) Reconciliation of Fair Value of Plan Assets and Obligations: ₹ lakhs

Particulars	31.03.2015	31.03.2014
Present value of the Defined Benefit Obligation	938.99	995.00
Fair value of Plan Assets	484.63	567.90
Deficit in Plan Assets	454.36	427.10
Experience Adjustments arising on Plan Liabilities as an amount	(21.38)	(70.50)
Experience Adjustments arising on Plan Assets as an amount	(5.91)	0.20



Notes forming part of the Consolidated financial statements

28.5 Segment Information:

A. Primary Segment - Business Segment

₹ lakhs

Particulars	Textile Products		UPVC Windows/ Profiles / Power Duct		Consolidated Details	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
a) Revenue	44050	52120	527	724	44577	52844
Total Income	44050	52120	527	724	44577	52844
b) Result						
Operating Profit (PBIT)	525	2534	9	16	534	2550
Unallocable Corporate expenses	—	—	—	—	150	150
Interest expense	2304	2380	3	2	2307	2382
Interest income	64	328	(6)	(8)	57	320
Profit before tax	(1715)	482	(1)	6	(1866)	338
Provision for current tax	—	—	3	4	3	4
Provision for deferred tax	(541)	150	(1)	(1)	(542)	149
Net Profit	(1174)	332	(3)	4	(1327)	186
c) Segment assets	25750	28211	1520	1713	25530	28295
Unallocable Corporate assets	—	—	—	—	—	—
Total assets	25750	28211	1520	1713	25530	28295
d) Segment liabilities	25750	28211	1520	1713	25530	28295
Unallocable Corporate Liabilities	—	—	—	—	—	—
Total liabilities	25750	28211	1520	1713	25530	28295
e) Cost incurred during the period to acquire segment fixed assets	1003	1039	—	1	1003	1040
f) Depreciation / Amortisation	1037	1511	40	50	1227	1711
g) Non cash expenses other than depreciation / amortisation	(4)	(2)	—	—	(4)	(2)

B. Secondary Segments- Geographical Segments:

₹ lakhs

Particulars	31.03.2015	31.03.2014
Segment Revenue		
- within India	31244	38160
- outside India	13333	14684
Total	44577	52844

28.6 Related Party Disclosure (as certified by the Management)

(i) Names of Related parties and description of Relationship

- | | |
|-----------------------------|---|
| a) Key Management Personnel | Sumanth Ramamurthi, Executive Chairman
A.S.Thirumoorthy, Managing Director |
| b) Subsidiaries | Sara Elgi Arteriors Ltd
Elgi Building Products Ltd |
| c) Others | Elgi Electric and Industries Ltd
Sara Elgi Industries Ltd
Kakatiya Textiles Ltd
Super Sara Textiles Ltd
Super Farm Products Pvt Ltd
Sara Elgi Envirotech LLP |

(ii) Related Party Transactions

₹ lakhs

Nature of Transaction	Others		Key Management Personnel		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Purchase of goods	434.96	2224.98	-	-	434.96	2224.98
Sale of Goods	213.53	737.05	-	-	213.53	737.05
Sale of fixed assets	-	16.36	-	-	-	16.36
Sale of Investments	-	115.30	-	-	-	115.30
Managerial Remuneration	-		89.04	38.70	89.04	38.70
Service charges paid	1.26	1.32	-	-	1.26	1.32
Rent received	18.97	19.59	-	-	18.97	19.59
Rent expended	2.43	3.24	-	-	2.43	3.24
Other Expenses	6.76	14.82	-	-	6.76	14.82
Other Receipts	13.16	65.45	-	-	13.16	65.45
Interest expended	-	-	3.24	3.55	3.24	3.55
Loan Received	-	-	-	15.00	-	15.00
Loan Repaid	-	-	7.00	15.16	7.00	15.16
Advance Received	150.00	-	-	-	150.00	-
Royalty Income	4.50	-	-	-	4.50	-
Other Income	-	1.45	-	-	-	1.45
Amount outstanding at year end - Dr	549.24	492.99	-	-	549.24	492.99
Amount outstanding at year end - Cr	148.97	-	28.45	35.00	177.42	35.00

28.7 The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS-21). The subsidiaries considered in the Consolidated Financial Statements are:

Name of the Indian Subsidiary	% of Voting Power held as of 31.03.2015
Sara Elgi Arteriors Ltd	100%
Elgi Building Products Ltd	100% including subsidiary's holding

28.8 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

As per our report of even date attached
For **Reddy, Goud & Janardhan**
Chartered Accountants
Registration No.003254S
Balakrishna S Bhat
Partner, Membership No.202976

N Hemanand
Chief Financial Officer

Coimbatore, 27th May, 2015

For and on behalf of the Board

Sumanth Ramamurthi
Executive Chairman
DIN : 00002773
A S Thirumoorthy
Managing Director
DIN : 03604474

R Srikanth
Company Secretary

SUPER SPINNING MILLS LIMITED

CIN: L17111TZ1962PLC001200

Regd. Office: Elgi Towers, P B No 7113

Green Fields, Puliakulam Road, Coimbatore-641045

Ph: 0422-2311711, Fax: 0422-2311611

E-mail: investors@ssh.saraelgi.com Website: www.superspinning.com

Form No. MGT - 11

Proxy Form

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

Folio No. / Demat ID
Name of the member(s)
Registered address

I/We, being the member(s) holding shares of the above named company, hereby appoint:

- 1) Name :
Address.....
Email ID : Signature or failing him/her
- 2) Name :
Address :
Email ID : Signature or failing him/her
- 3) Name :
Address :
Email ID : Signature

P.T.O.

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Electronic Voting Particulars

If desirous of E-voting, please read the instructions given in the AGM Notice before exercising

EVSN (Electronic Voting Sequence Number)	* Default PAN / Sequence No
150812002	

* Those who have not registered their PAN may use Default PAN

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SUPER SPINNING MILLS LIMITED

CIN: L17111TZ1962PLC001200

Regd. Office: Elgi Towers, P B No 7113

Green Fields, Puliakulam Road, Coimbatore-641045

Ph: 0422-2311711, Fax: 0422-2311611

E-mail: investors@ssh.saraelgi.com Website: www.superspinning.com

Attendance Slip

Folio No. / Demat ID :
Name of the Member :
Name of the Proxy :

No. of shares held :

I hereby record my presence at the 53rd Annual General Meeting of the Company being held on Monday, the 14th September 2015 at 3.30 P.M at Ardra Convention Centre, 'Kaanchan', No. 9, North Huzur Road, Coimbatore – 641 018.

* Strike out whichever is not applicable

Signature of Member / Proxy*

as my / our Proxy to attend and vote (on a Poll) for me / us on my / our behalf at the 53rd Annual General Meeting of the Company to be held on **Monday, the 14th September 2015 at 3.30 P.M** at Aindra Convention Centre, 'Kaanchan', No. 9, North Huzur Road, Coimbatore – 641 018 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

Resolution Number	Resolution
Ordinary Business	
1	Adoption of audited financial statements including Balance Sheet as at 31 st March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the report of the Directors and Auditors thereon
2	Appointment of a Director in the place of Mr. Sumanth Ramamurthi (DIN 00002773), who retires by rotation and being eligible offers himself for re-appointment
3	Re-appointment of Auditors and to fix their remuneration
Special Business	
4	Ratification of the remuneration payable to the Cost Auditors for the financial year 2015-16

Signed this day of 2015

Signature of shareholder :

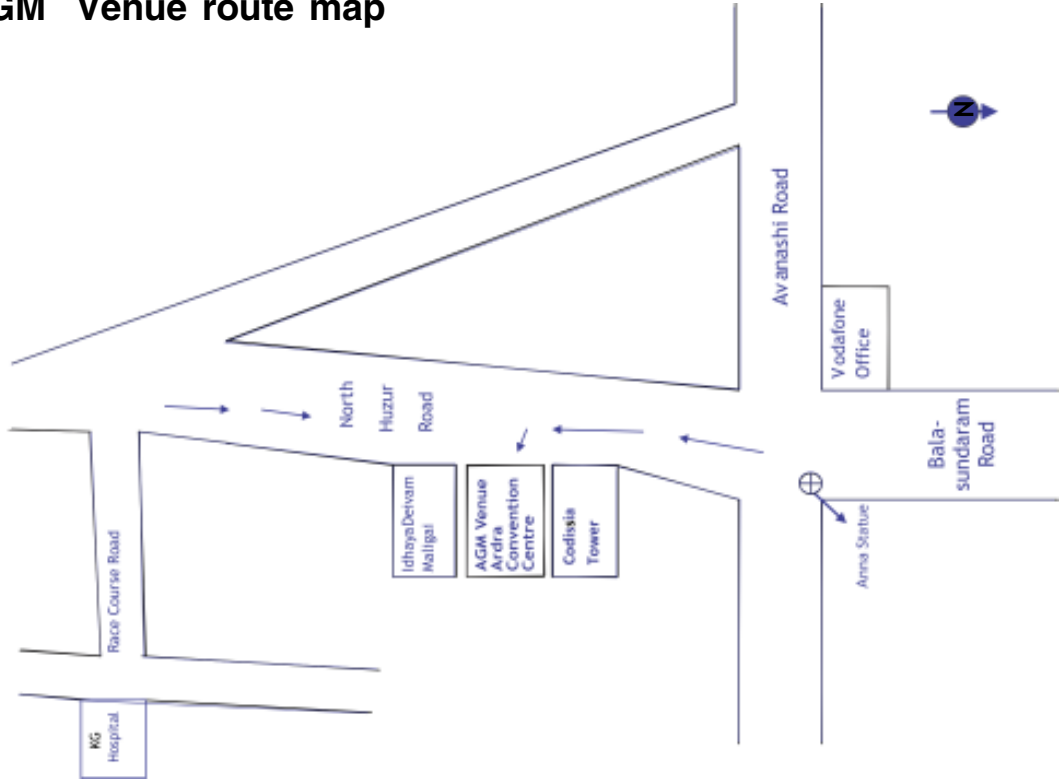
Signature of proxy holder (s) :

Note :

- 1) This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

Affix ₹ 1/-
Revenue
Stamp

AGM Venue route map



SUPER



Super Spinning Mills Limited

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