

SARA ELGI

SUPER



Super Spinning Mills Limited

**55th Annual Report
2016-17**



Super Spinning Mills Limited

CIN: L17111TZ1962PLC001200

Corporate Information

Executive Chairman

Managing Director

Board of Directors

Mr. Sumanth Ramamurthi

Mr. A S Thirumoorthy

Mr. Sarath Chandran (Upto 31st May 2017)

Mr. Vijay Venkataswamy (Upto 31st May 2017)

Mr. C S K Prabhu

Mr. B Vijayakumar

Mr. Sudarsan Varadaraj

Mr. C G Kumar

Mrs. Suguna Ravichandran

Mr. B Lakshmi Narayana (Appointed w.e.f 1st June 2017)

Mr. A R Balasundharam (Appointed w.e.f 1st June 2017)

Mr. C Shankar

Chief Financial Officer

Company Secretary

Auditors

Secretarial Auditor

Bankers

Ms. Ramaa Krishnakumar

M/s. Reddy, Goud & Janardhan

Mr. M D Selvaraj, MDS & Associates

Union Bank of India

State Bank of India

IDBI Bank

Andhra Bank

Registrar and Share Transfer Agents

Link Intime India Pvt Ltd (Coimbatore Branch)

"Surya" 35, May Flower Avenue,

Behind Senthil Nagar, Sowripalayam Road,
Coimbatore – 641 028

Phone : 0422-2314792, 2315792

Fax : 0422 - 2314792.

E-mail : coimbatore@linkintime.co.in

Registered Office

"ELGI TOWERS", PB 7113

Green Fields, 737-D Puliakulam Road

Coimbatore – 641045

Tamil Nadu

Tel : (0422) 2311711

Fax : (0422) 2311611

E-mail : investors@ssh.saraelgi.com

Website : www.superspinning.com

Mills Location

A Unit : Kirikera, Andhra Pradesh

B Unit : Kotnur, Andhra Pradesh

Super Sara: Beerapalli, Andhra Pradesh

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Notice to the Members

Notice is hereby given that the **55th Annual General Meeting** of the Company will be held on **Friday, the 1st December 2017** 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 on 31st March, 2017, 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 appoint the Statutory 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, read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force) M/s. Sethia, Prabhadd Hegde & Co., (Firm Registration No. 013367S) Chartered Accountants, Bengaluru be and are hereby appointed as the Statutory Auditors of the Company in the place of M/s. Reddy, Goud & Janardhan, (Firm Registration No. 003254S), the retiring Statutory Auditors to hold office for a period of five years from the conclusion of the 55th Annual General Meeting till the conclusion of the 60th Annual General Meeting of the Company, subject to ratification of such appointment by the members at every Annual General Meetings, if so required under the Act, on a remuneration as may be fixed by the Board of Directors of the Company

Special Business

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

Resolved that pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. S Mahadevan & Co., Cost Accountants (Firm Registration No.000007), who were appointed as Cost Auditors by the Board of Directors of the Company, to conduct audit of the cost records made and maintained by the Company for the financial year ending on 31st March 2018 at a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable service tax and reimbursement of out of pocket expenses incurred by them for the purpose of audit be and is hereby ratified and confirmed.

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

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

Resolved that subject to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Mr.Sumanth Ramamurthi (DIN: 00002773) as an Executive Chairman of the Company for a further period of 3 years with effect from 1st April 2017 on the following remuneration as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors for a period of one year with effect from 1st April 2017.

Remuneration

- I. Salary** : ₹ 1,82,000/- per month.
- II. Commission** : 1.5% of Net Profit of the Company in each year computed in

accordance with Section 198 of the Companies Act, 2013.

III. Allowances & Perquisites

In addition to salary and commission the following allowances and perquisites shall be allowed as detailed below:

1. **Housing:** Unfurnished residential accommodation will be provided. In its absence, 60% of the salary will be paid as house rent allowance.
2. **Perquisites:** The following perquisites shall be allowed subject to a maximum of 40% of the salary.
 - i. **Medical:** Reimbursement of expenses actually incurred for self and his family.
 - ii. **Leave Travel Concession:** Leave Travel Concession for self and his family.
 - iii. **Insurance:** Life, Health and personal accident insurance cover for self.
3. Free use of Company car with driver and reimbursement of conveyance expenses and telephones .

In any year, if the perquisites specified in Part 2 above are not availed in full, the unutilized portion of the limit shall be encashed at the end of every year.

4. Mr. Sumanth Ramamurthi shall also be eligible for the following benefits, which shall not be included in the computation of the ceiling on the remuneration.

PF: Contribution to Provident Fund to the extent it is not taxable under the Income Tax Act, 1961.

Gratuity: Gratuity payable at the rate not exceeding 15 days salary of each year of completed service or as may be notified by the Government from time to time.

Resolved Further that in the event of no profits or inadequacy of profits, the remuneration payable to Mr. Sumanth Ramamurthi, Executive Chairman, of the Company shall not exceed the limits specified in

Part II of Section II of Schedule V of the Companies Act, 2013 or such limits as may be notified by the Government from time to time.

Resolved Further that the terms and conditions set out for appointment shall be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

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

Resolved that subject to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Mr. A S Thirumoorthy (DIN: 03604474) as Managing Director of the Company for a further period of 3 years with effect from 1st April 2017 on the following remuneration as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors for a period of one year with effect from 1st April 2017.

Remuneration :-

- I. **Salary :** ₹ 2,42,000/- per month
- II. **Commission:** 1% of Net Profit of the Company in each year computed in accordance with Section 198 of the Companies Act, 2013 subject to a maximum amount not exceeding the salary of respective years.

III. Allowances & Perquisites

In addition to salary and commission the following allowances and perquisites shall be allowed as detailed below:

1. **Housing:** Unfurnished residential accommodation will be provided. In its absence, 60% of the salary will be paid as house rent allowance.

2. **Perquisites:** The following perquisites shall be allowed subject to a maximum of 40% of the salary.

- i. **Medical:** Reimbursement of expenses actually incurred for self and his family.
- ii. **Leave Travel Concession:** Leave Travel Concession for self and his family.
- iii. **Insurance:** Life, Health and personal accident insurance cover for self.

In any year, if the perquisites specified in Part 2 above, are not availed in full, the unutilized portion of the limit shall be encashed at the end of every year.

3. Mr. A S Thirumoorthy shall also be eligible for the following benefits, which shall not be included in the computation of the ceiling on the remuneration.

PF : Contribution to Provident Fund to the extent it is not taxable under the Income Tax Act, 1961.

Gratuity: Gratuity payable at the rate not exceeding 15 days salary of each year of completed service or as may be notified by the Government from time to time.

Resolved Further that in the event of no profits or inadequacy of profits, the remuneration payable to Mr. A S Thirumoorthy, Managing Director, of the Company shall not exceed the limits specified in Part II of Section II of Schedule V of the Companies Act, 2013 or such limits as may be notified by the Government from time to time.

Resolved Further that the terms and conditions set out for appointment and/or agreements shall be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

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

Resolved that pursuant to the provisions of Section(s) 149, 150 & 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including

any statutory modifications or re-enactments thereof for the time being in force) Mr. B Lakshmi Narayana (DIN 00504396) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st June 2017 at the Board Meeting held on 30th May 2017 and who holds office up to the date of this Annual General Meeting as per the provisions of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from 1st June 2017 to 31st May 2022, not liable to retire by rotation.

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

Resolved that pursuant to the provisions of Section(s) 149, 150 & 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) Mr. A R Balasundharam (DIN 07802383) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 1st June 2017 at the Board Meeting held on 30th May 2017 and who holds office up to the date of this Annual General Meeting as per the provisions of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from 1st June 2017 to 31st May 2022, not liable to retire by rotation.

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

Item No. 4

The Board of Directors on the recommendation of the Audit Committee, has approved the appointment of



M/s S Mahadevan & Co., (having Firm Registration No. 000007) as Cost Auditor to conduct the audit of the cost records of the company for the financial year 2017-18. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the members 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 2017-18.

The Board recommends the resolution set out in Item No. 4 of the notice for the approval of the members.

None of the Directors or Key Managerial Personnel of your company and their relatives are concerned or interested financially or otherwise in the above resolution.

Item No. 5

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meetings held on 31st January 2017 have reappointed Mr. Sumanth Ramamurthi, as an Executive Chairman of the Company for a further period of three years from 1st April 2017 to 31st March 2020, on such remuneration as set out in the resolution for a period of one year with effect from 1st April 2017, in accordance with the provisions of the Companies Act, 2013.

Mr. Sumanth Ramamurthi, graduate in Electrical Engineering is a person having more than three decades of experience in the fields of textile and engineering industry. In view of his performance and capabilities along with his experience in the industry, he was reappointed as an Executive Chairman of the Company for a further period of three years with effect from 1st April 2017 to 31st March 2020.

Pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 the re-appointment of the Executive Chairman shall be subject to the approval of the shareholders of the Company in the General Meeting. Hence the necessary resolution

has been set out in Item No.5 of the Notice for the approval of the members.

The Board recommends the resolution set out in Item No.5 of the Notice for the approval of the members.

Except, Mr. Sumanth Ramamurthi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution as set out in Item No. 5 of the Notice.

Item No. 6

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meetings held on 31st January 2017 have reappointed Mr. A S Thirumoorthy, as Managing Director of the Company for a further period of three years from 1st April 2017 to 31st March 2020, on such remuneration as set out in the resolution for a period of one year with effect from 1st April 2017, in accordance with the provisions of the Companies Act, 2013.

Mr. A S Thirumoorthy, Chartered Accountant, is a person having more than three decades of experience in the fields of finance and textile industry. In view of his performance and capabilities along with his experience in the industry, he was reappointed as Managing Director of the Company for a further period of three years with effect from 1st April 2017 to 31st March 2020.

Pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 the re-appointment of the Managing Director shall be subject to the approval of the shareholders of the Company in the General Meeting. Hence the necessary resolution has been set out in Item No.6 of the Notice for the approval of the members.

The Board recommends the resolution set out in Item No.6 of the Notice for the approval of the members.

Except, Mr. A S Thirumoorthy, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution as set out in Item No. 6 of the Notice.



Item No. 7

The Board of Directors of the Company at their meeting held on 30th May 2017 appointed Mr. B Lakshmi Narayana, as an Additional Director of the Company with effect from 1st June 2017. Mr. B Lakshmi Narayana, a Marketing Graduate from Harvard University and a MBA Graduate from University of New Hampshire, is a person having more than two decades of experience in the area of Spinning and Weaving. In view of his capabilities along with his experience in the industry and in order to strengthen and improve the technical and marketing support to the Company, the Board of Directors is of the view that his appointment to the Board would be beneficial to the Company.

Under Section 161 of the Companies Act, 2013, Mr. B Lakshmi Narayana ceases to hold office at this Annual General Meeting. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. B Lakshmi Narayana, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from 1st June 2017 to 31st May 2022. A notice has been received from a member along with a deposit of ₹ 1,00,000/- proposing Mr. B Lakshmi Narayana, as a candidate for the office of Director of the Company. He is not liable to retire by rotation and he is not related to any of the Directors of the Company.

The Company has received declaration from Mr. B Lakshmi Narayana, an Independent Director of the Company confirming that he meets the criteria of independence as prescribed both under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In the opinion of the Board, Mr. B Lakshmi Narayana fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Copy of the draft letter for appointment of Mr. B Lakshmi Narayana as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the resolution in relation to appointment of Mr. B Lakshmi Narayana as an

Independent Director, for the approval by the shareholders of the Company.

Except Mr. B Lakshmi Narayana, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

Item No. 8

The Board of Directors of the Company at their meeting held on 30th May 2017 appointed Mr. A R Balasundharam, as an Additional Director of the Company with effect from 1st June 2017. Mr. A R Balasundharam, a B.Tech-Textile Graduate, is a person having more than three decades of experience as a textile professional. The Board is of the view that his performance and capabilities along with his experience in the industry would be of immense benefit in strengthening and improving the technical support to the Company.

Under Section 161 of the Companies Act, 2013, Mr. A R Balasundharam, ceases to hold office at this Annual General Meeting. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Mr. A R Balasundharam, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from 1st June 2017 to 31st May 2022. A notice has been received from a member along with a deposit of ₹ 1,00,000/- proposing Mr. A R Balasundharam, as a candidate for the office of Director of the Company. He is not liable to retire by rotation and he is not related to any of the Directors of the Company.

The Company has received declaration from Mr. A R Balasundharam, an Independent Director of the Company confirming that he meets the criteria of independence as prescribed both under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In the opinion of the Board, Mr. A R Balasundharam, fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Copy of the draft letter of appointment of Mr. A R Balasundharam, as an Independent Director

would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the resolution in relation to appointment of Mr. A R Balasundharam, as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. A R Balasundharam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

By order of the Board

Coimbatore
 23rd October, 2017

Ramaa Krishnakumar
 Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. 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 Nos. 4 to 8 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 attending the meeting are requested to 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 Saturday, 25th November 2017 to Friday, 1st December 2017 (both days inclusive).
6. Details as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Director seeking appointment/re-appointment at the Annual General Meeting are furnished and forms integral part of the Notice. The Directors 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 Agents 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 their 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. 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.

10. The members are requested to forward their share transfer deed(s) and other communications directly to the Registrar and Share Transfer Agents of the Company M/s.Link Intime India Pvt Ltd.
11. To support the "Green Initiative", the members who have not registered their e-mail addresses are requested to register the same with the Registrar and Share Transfer Agents/Depositories.
12. Copies of the Annual Report 2016-17, the Notice of the 55th 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 2016-17 are being sent through permitted mode.
13. Members may also note that the Notice of the 55th Annual General Meeting and the Annual Report 2016-17 will be available on the Company's website www.superpinning.com The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on any working day.
14. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares.
15. The SEBI has mandated the submission of PAN by every participant in the securities market. 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.

16. Pursuant to Section 72 of the Act, Members holding shares in physical form are advised to file Nomination Form in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agents. In respect of shares held in electronic/demat form, the members may please contact their respective Depository Participant.
17. Members are requested to note that the venue of the 55th Annual General Meeting is at Ardra Convention Centre, "Kaanchan", No. 9, North Huzur Road, Coimbatore - 641 018 and the route map containing the complete particulars of the venue is attached to this Notice.
18. 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, and Regulation 44(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 55th 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 members attending the meeting who have not already cast their vote by remote e-voting may exercise their vote through polling paper at the meeting.
 3. The Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again

The instructions for members for voting electronically are as under:-

- i. The voting period begins on Tuesday, 28th November 2017 at 9.00 A.M. and ends on Thursday, 30th November 2017 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 24th November 2017 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

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

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)

Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Attendance Slip / Proxy Form 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.

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 for '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. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App store and the Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non - Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts 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.

- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email 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 24th November 2017.
5. Mr. M D Selvaraj FCS of MDS & Associates, Company Secretaries in Practice, 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 at least 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 2 days of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.superspinning.com and on the website of CDSL and communicated to the Stock Exchanges where the Company's shares are listed.



Additional information of Directors seeking appointment / re-appointment as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015) and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India

The information relating to the directors proposed to be appointed / re-appointed is given hereunder:-

Name	Mr. Sumanth Ramamurthi	Mr. A S Thirumoorthy
DIN	00002773	03604474
Age	58 Years	58 Years
Qualification	B.S - Electrical Engineering	ACA
Expertise	More than three decades of experience in the fields of textile and engineering industry	More than three decades of experience in the field of Finance and Textile Industry
Terms and Conditions of re-appointment	Mr. Sumanth Ramamurthi, was re-appointed as an Executive Chairman of the Company for a further period of three years with effect from 1 st April 2017 to 31 st March 2020.	Mr. A S Thirumoorthy was re-appointed as a Managing Director of the Company for a further period of three years with effect from 1 st April 2017 to 31 st March 2020.
Remuneration last drawn	₹ 46.17 Lakhs	₹ 61.56 Lakhs
Remuneration proposed to be paid	As per Item No. 5 of the resolution annexed to the Notice	As per Item No. 6 of the resolution annexed to the Notice
Date of first appointment on the Board	22.02.1992	01.04.2014
Shareholding in the Company	94,23,860* Equity Shares	5000 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any of the Director's of the Company.	He is not related to any of the Director's of the Company.
Number of meetings of the Board attended during the year	5 (Five)	5 (Five)
Directorships of other Boards	i. Precot Meridian Ltd ii. Elgi Electric And Industries Ltd iii. Elgi Ultra Industries Ltd iv. Super Farm Products Private Ltd v. Super Sara Textiles Ltd vi. Sara Elgi Industries Ltd	Super Sara Textiles Ltd
Membership/ Chairmanship of Committees of other Boards	Stakeholders Relationship Committee Precot Meridian Ltd - Chairman Corporate Social Responsibility Committee Elgi Electric and Industries Ltd - Chairman	NIL

* Includes 6,50,000 Shares in HUF



Name	Mr. B Lakshmi Narayana	Mr. A R Balasundharam
DIN	00504396	07802383
Age	50 Years	54 Years
Qualification	MBA	B.Tech - Textiles
Expertise	More than two decades of experience in the field of textile and engineering industries	More than three decades of experience as a textile professional
Terms and Conditions of re-appointment	Mr. B Lakshmi Narayana is proposed to be appointed as an Independent Director of the Company for a period of five years effective from 1st June 2017 till 31st May 2022. Details of the other terms and conditions of his appointment have been enumerated in his draft letter of appointment, which has been posted on the website of the Company.	Mr.A R Balasundharam is proposed to be appointed as an Independent Director of the Company for a period of five years effective from 1st June 2017 till 31st May 2022. Details of the other terms and conditions of his appointment have been enumerated in his draft letter of appointment, which has been posted on the website of the Company.
Remuneration last drawn	NIL	NIL
Remuneration proposed to be paid	Sitting Fees only	Sitting Fees only
Date of first appointment on the Board	01.06.2017	01.06.2017
Shareholding in the Company	NIL	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any of the Director's of the Company.	He is not related to any of the Director's of the Company.
Number of meetings of the Board attended during the year	NIL	NIL
Directorships of other Boards	Vantex Ltd Primo Aqua Green Private Ltd	NIL
Membership/ Chairmanship of Committees of other Boards	NIL	NIL

Statement of Information to be provided under, Section II(A) of Part II of Schedule V of the Companies Act, 2013

I. General Information

1. Nature of Industry: Textiles
2. Date or expected date of commencement of commercial production: Not applicable
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
4. Financial performance based on given indicators (₹ Lakhs)

Particulars	2016-17	2015-16
Sales and other income	30,677.91	35,027.14
Profit / (Loss) before tax and depreciation	(378.74)	114.10
Profit / (Loss) after tax	(1071.71)	(582.22)
Paid up Equity Capital	550.00	550.00
Reserves and Surplus	4,235.62	4,938.28
Basic Earnings per share	(1.95)	(1.06)

5. Foreign investments and collaborations, if any : Not applicable

II. Information about the Appointees:

Particulars	Mr. Sumanth Ramamurthi	Mr. A S Thirumoorthy
Back ground details	Mr. Sumanth Ramamurthi aged 58 years is an industrialist, having more than three decades of experience in the fields of textile and engineering industries and is a Director on the Board of six other companies. He has a B.S Degree in Electrical Engineering from the University of Missouri, USA.	Mr. A S Thirumoorthy aged 58 years is Chartered Accountant, having more than three decades of experience in the field of finance and textile industry and is a Director on the Board of one other Public Limited Company.
Past remuneration	₹ 46.17 Lakhs	₹ 61.56 Lakhs
Recognition or awards	—	—
Job profile and his suitability	More than three decades of experience in the field of Engineering and Textile industry.	More than three decades of experience in the field of Finance and Textile industry.
Remuneration Proposed	As per Item No. 5 of the resolution annexed to the Notice	As per Item No. 6 of the resolution annexed to the Notice
Comparative remuneration profile with respect to industry, size of the company profile of the position and person	Salary to be given is at par with the industry standards	Salary to be given is at par with the industry standards

Particulars	Mr. Sumanth Ramamurthi	Mr. A S Thirumoorthy
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Nil	Nil

III. Other Information

- Reasons of loss or inadequate profits: The high cost of raw material, lower value realization for yarn and fluctuation in the value of the Indian rupee have affected the Company's operating performance resulting in losses
- Steps taken or proposed to be taken for improvement: The Company has made efforts to increase yarn realization through productivity and cost control measures.
- Expected increase in productivity and profits in measurable terms: The Company expects to see a growth in turnover ranging from 5% to 10% and proportionate increase in productivity resulting in reasonable profits as a result of these measures.

IV Disclosures

- The following disclosures have been mentioned in the Board of Directors report under the heading Corporate Governance attached to the annual report:
 - All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors
 - Details of fixed component and performance linked incentives along with the performance criteria
 - Service contracts, notice period, severance fees and
 - Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Company has not issued any Stock option.

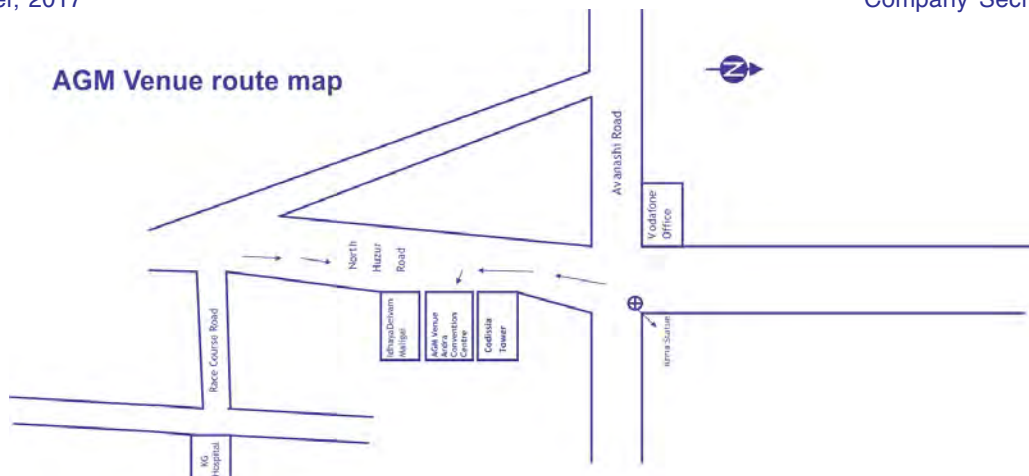
By order of the Board

Coimbatore

Ramaa Krishnakumar

23rd October, 2017

Company Secretary





Director's Report

Dear Shareholders,

Your Directors are pleased to present the 55th Annual Report of the Company along with audited financial statements for the year ended 31st March, 2017.

Financial Highlights :

The summary of the financial performance of the Company for the year ended 31st March 2017 is as follows.

(₹ in Lakhs)

Particulars	31.03.2017	31.03.2016
Revenue from operation	29,407	34,829
Other Income	1,271	198
Total Revenue	30,678	35,027
Earnings before Finance Cost, Depreciation & Tax	1,379	686
Less: Finance Cost	1,700	2,143
Earnings before Depreciation & Tax	(321)	(1,457)
Less: Depreciation and amortization	956	995
Profit/(Loss) before Tax	(1,277)	(2,452)
Less: Exceptional Items	58	24
Less: Current and deferred Tax	(263)	(299)
Add: Extraordinary Items	-	1,595
Profit/(Loss) after Tax	(1,072)	(582)

Review of business operations

During the year under review your Company has achieved a total turnover of ₹ 29,407 lakhs and incurred loss of ₹ 1,072 lakhs as against the previous year turnover of ₹ 34,829 lakhs and the loss of ₹ 582 lakhs. Your Directors are confident that the performance would be improved during the current financial year.

Change in the nature of business

There was no change in the nature of principal business of the Company during the financial year

ended 31st March 2017. However, the Company has acquired the business of manufacturing UPVC building products pursuant to the scheme of amalgamation.

Transfer to Reserves

During the year under review, no amount has been transferred to general reserves. However, the current year loss of ₹ 1072/- Lakhs has been carried forward to the Profit and Loss Account.

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 2017.

Share Capital

The issued, subscribed and paid-up share capital of the Company as on 31st March, 2017 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.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

There was no amount to be transferred during the year to the Investor Education and Protection Fund established by the Central Government.

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 and Committee meetings

During the year under review, 5 meetings of the Board of Directors, 5 meetings of Audit Committee, 2 meetings of Nomination and Remuneration Committee and 2 meetings of Stakeholders Relationship Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

Statement on compliance with Secretarial Standards

The Company has complied with the Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

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.

Details in respect of frauds reported by Auditors under Section 143(12) of the Companies Act, 2013

other than those which are reportable to the Central Government

There have been no frauds reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

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 both under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

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

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for fixing and revising remuneration of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Policy of the Company is annexed herewith as **Annexure 2** 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>.

Comments on Auditors' Report

There were no qualifications, reservations, adverse remarks or disclaimers made by 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

During the year under review 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. However, the details in respect of investments made by the Company in the earlier years are disclosed in the notes to the financial statements.



Particulars of contracts or transactions with related parties

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year 2016-17 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/2016/08/PolicyOnRelatedPartyTransaction.pdf>.

Material changes and commitments affecting the financial position of the company

The National Company Law Tribunal, Chennai Bench has vide its Order dated 04.09.2017 and 19.09.2017 sanctioned the Scheme of Amalgamation of Sara Elgi Arteriors Ltd and Elgi Building Products Ltd with the Company with effect from the appointed date i.e., 1st April, 2016. Other than this, there has been no material changes and commitments affecting the financial position of the Company which has occurred between the financial year ended 31st March, 2017 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.

Risk Management Policy of the company

The Company has a structured risk management policy. The Company does not face any risk other than those prevalent in the industry. The Company

has taken all possible steps to overcome such risks. 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.

Audit Committee

The Company has constituted Audit Committee in accordance with Section 177 of the Companies Act, 2013. Kindly refer the Report on Corporate Governance for matters relating to the composition, meetings and functions of the committee.

The Board has accepted the Audit Committee's recommendations during the year wherever required and hence no disclosure is required under Section 177(8) of the Companies Act, 2013, with respect to rejection of any recommendations of Audit Committee by the Board.

Whistle Blower Policy (Vigil Mechanism)

The Company has formulated a Whistle Blower policy in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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/2016/08/WhistleBlowerPolicy.pdf>.

Corporate Social Responsibility initiatives

The Corporate Social Responsibility Committee comprises of Mr. C S K Prabhu, Mr. Sumanth Ramamurthi and Mr. A S Thirumoorthy.



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

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, Committees, Independent Directors, Non-Independent Directors, Chairman and Managing Director. Based on that performance evaluation has been undertaken. A separate meeting of Independent Directors of the Company was held for this purpose.

Directors & Key Managerial Personnel

As per the provisions of Section 152 of the Companies Act, 2013, 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.

The second tenure of office of Mr. Vijay Venkataswamy as an Independent Director of the Company ended on 31st May 2017 and hence Mr. Vijay Venkataswamy retired from the Board with effect from 31st May 2017.

As per the retirement policy of the Company Mr. Sarath Chandran, on the attainment of superannuation, retired from the Board with effect from 31st May, 2017.

The Board of Directors placed on record their sincere appreciation for the valuable contributions made by them in the upliftment and the growth of the Company during their long decades of association with the Company.

The Nomination and Remuneration Committee and the Board of Directors at their meetings held on

30th May 2017 have appointed Mr. B Lakshmi Narayana and Mr. A R Balasundharam as Additional Directors of the Company with effect from 1st June, 2017 and they shall hold office upto the date of this Annual General Meeting. Accordingly, necessary resolutions proposing the appointment of Mr. B Lakshmi Narayana & Mr. A R Balasundharam as Independent Directors of the Company has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members.

The Board of Directors at their meeting held on 31st January, 2017 and on the recommendation of the Nomination and Remuneration Committee reappointed Mr. Sumanth Ramamurthi as an Executive Chairman and Mr. A S Thirumoorthy as Managing Director of the Company for a period of three years with effect from 1st April, 2017.

Necessary resolutions in this regard have been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members.

Mr. N Hemanand, Chief Financial Officer, had resigned from the services of the Company from 14th June 2016 and Mr. C Shankar, an Associate Member of the Institute of Chartered Accountants of India, was appointed as Chief Financial Officer of the Company with effect from 15th June, 2016.

Key Managerial Personnel of the Company as required under Section 2(51) and 203 of the Companies Act, 2013 are Mr. Sumanth Ramamurthi, Executive Chairman, Mr. A S Thirumoorthy, Managing Director, Mr. C Shankar, Chief Financial Officer and Ms. Ramaa Krishnakumar, Company Secretary.

Subsidiaries, Joint Ventures and Associate Companies

During the year under review, M/s. Sara Elgi Arteriors Limited - a wholly owned subsidiary Company and M/s. Elgi Building Products Limited - step down subsidiary Company has been amalgamated with the Company as per the order of National Company Law Tribunal dated 4th September, 2017 and 19th September, 2017 with effect from the appointed date i.e., 1st April, 2016.



Consequent to the amalgamation the Company does not have any subsidiaries.

The Company also does not have any Joint Ventures or Associate Companies.

Fixed Deposits

The Company has not accepted or renewed any fixed deposits during the year under review and hence there were no unpaid deposits as on 31st March, 2017.

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

Adequacy of internal financial controls with reference to the financial statements

The Company has implemented adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable regulations. The systems are periodically reviewed for identification of control deficiencies and formulation of time bound action plans to improve efficiency at all the levels. The audit Committee of the Board constantly 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 and recommendations made for corrective action through the internal audit reports. The committee reviews the statutory auditors' report, key issues, significant process and accounting policies.

The Directors and the Management confirms that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors Report.

Auditors

Statutory Auditors

The tenure of office of M/s.Reddy, Goud & Janardhan, Chartered Accountants, Bengaluru expires at the ensuing Annual General Meeting of the Company. The Audit Committee and the Board of Directors have recommended the appointment of M/s. Sethia, Prabhada Hegde & Co., Chartered Accountants, Bengaluru, as the Statutory Auditors of the Company in the place of the retiring auditors M/s. Reddy, Goud & Janardhan, for a period of five years from the conclusion of the 55th Annual General Meeting till the conclusion of the 60th Annual General Meeting of the Company, subject to ratification of the appointment by the members at every Annual General Meeting, if so required under the Act. Further, the Company has received a certificate from M/s. Sethia, Prabhada Hegde & Co., to the effect that their appointment, if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Board recommends the resolution for the appointment of Statutory Auditors for the approval of the members.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules framed thereunder, 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 Audit in Form No. MR-3 for the financial year 2016-17 is annexed herewith as **Annexure 5** to this report.

Cost Auditors

On the recommendation of the Audit Committee, the Board of Directors have appointed M/s. S Mahadevan & Co., Cost Accountants, (Firm Reg. No. 000007) as the Cost Auditors of the Company for the financial year 2017-18.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules,



2014, the remuneration payable to the Cost Auditors is subject to the ratification of the members in general meeting. The Board recommends the ratification of their remuneration.

Particulars of Employees

The details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure 6** to this report.

Corporate Governance

A report on Corporate Governance is annexed to and forms part of this report. The Company has complied with the conditions relating to Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 redress the complaints regarding sexual harassment. All employees are covered under this policy. The company has received few complaints and all the complaints are properly settled after conducting enquiry.

Personnel Relations

The Company continues to enjoy the cordial relationship with its employees at all levels.

Acknowledgements

The Directors thank the Company's Bankers, Financial Institutions, Customers, Vendors, Investors, Suppliers and Business Associates for their unstinted support.

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 place on record their appreciation for the contributions made by the employees towards the growth of the Company.

Coimbatore
23rd October, 2017

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

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

as on the financial year ended on 31st March, 2017

[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	Company Limited by Shares / Non Govt. Company
v)	Address of the Registered office and contact details	'Elgi Towers', PB 7113, Green Fields Puliakulam Road, Coimbatore - 641 045 Tel : 0422-2311711 Fax: 0422-2311611 E-mail: investors@ssh.saraelgi.com Website: www.superspining.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, "Surya" 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028 Phone : 0422-2314792, 2315792, Fax : 0422 - 2314792. E-mail : coimbatore@linkintime.co.in

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	98.90%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any holding, subsidiary or associate companies.



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 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
[1] Indian									
(a) Individuals / HUF	18379730	-	18379730	33.42	18379740	-	18379740	33.42	-
(b) Central Government	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	3595755	-	3595755	6.54	3610914	-	3610914	6.57	0.03
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other - Trust	1362910	-	1362910	2.47	1362910	-	1362910	2.47	-
Sub Total (A)(1)	23338395	-	23338395	42.43	23353564	-	23353564	42.46	0.03
[2] Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Others-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	23338395	-	23338395	42.43	23353564	-	23353564	42.46	0.03
(B) Public Shareholding									
[1] Institutions									
(a) Mutual Funds	1470	-	1470	-	1470	-	1470	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	1000	1000	-	-	1000	1000	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	1470	1000	2470	-	1470	1000	2470	-	



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 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2] Non-Institutions									
A) Bodies Corporate									
i) Indian	3367192	18000	3385192	6.15	3286549	18000	3304549	6.01	(0.15)
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	19078385	1431160	20509545	37.29	19582731	1277690	20860421	37.93	0.64
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3660275	380820	4041095	7.35	2507135	380820	2887955	5.25	(2.10)
(c) Others	-	-	-	-	-	-	-	-	-
(i) Clearing Member	204700	-	204700	0.37	475939	-	475939	0.87	0.49
(ii) NRI	269057	-	269057	0.49	377217	-	377217	0.69	0.20
(iii) HUF	2226804	-	2226804	4.05	2679226	-	2679226	4.87	0.82
(iv) Market Maker	16742	-	16742	0.03	69179	-	69179	0.12	0.10
(v) Any Other	1006000	-	1006000	1.83	989480	-	989480	1.80	(0.03)
Sub Total (B)(2)	29829155	1829980	31659135	57.56	29967456	1676510	31643966	57.54	(0.03)
Total Public Shareholding (B)=(B)(1)+(B)(2)	29830625	1830980	31661605	57.57	29968926	1677510	31646436	57.54	(0.03)
(C) Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	53169020	1830980	55000000	100.00	53322490	1677510	55000000	100.00	-


ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year(as on 01.04.2016)			No. of Shares held at the end of the year(as on 31.03.2017)			% Change during the year
		No. of Shares Held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares Held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Sumanth.R.	8773860	15.95	-	8773860	15.95	-	-
2	Nikhil Govind Ramamurthi	4000000	7.27	-	4000000	7.27	-	-
3	Sanjay Krishna Ramamurthi	4000000	7.27	-	4000000	7.27	-	-
4	Super Farm Products (P) Ltd	2830755	5.15	-	2845914	5.17	-	0.03
5	Elgi Electric And Industries Ltd	765000	1.39	-	765000	1.39	-	-
6	Nikhil Govind Ramamurthi Family Trust	681800	1.24	-	681800	1.24	-	-
7	Sanjay Krishna Ramamurthi Family Trust	681110	1.24	-	681110	1.24	-	-
8	Sumanth R (HUF)	650000	1.18	-	650000	1.18	-	-
9	Ranganayaki N	314670	0.57	-	314670	0.57	-	-
10	Hemalatha R	208000	0.38	-	208000	0.38	-	-
11	Chitra Vidyaprakash	157670	0.29	-	250240	0.45	-	0.17
12	Nithya Vidyaprakash	92560	0.17	-	-	-	-	(0.17)
13	D Vidyaprakash	76330	0.14	-	76330	0.14	-	-
14	Indira Lakshmi Vidyaprakash	46190	0.08	-	46190	0.08	-	-
15	Nivedita Lakshmi Narayanaswamy	27670	0.05	-	27670	0.05	-	-
16	Arjun Prakash V	22280	0.04	-	22280	0.04	-	-
17	N Krishnasamraj	8000	0.01	-	8000	0.01	-	-
18	Ajeya Vel Narayanaswamy	2500	-	-	2500	-	-	-
	TOTAL	23338395	42.43	-	23353564	42.46	-	0.03

iii) Change in Promoters' Shareholding

S. No.	Name of the Sharholders	Shareholding at the beginning of the year 2016		Cumulative Shareholding during the year	
		No.of Shares Held	% of total Shares of the company	No.of Shares Held	% of total Shares of the company
1	Super Farm Products (P) Ltd At the beginning of the year Transfer of shares as on 20.05.16 Transfer of shares as on 02.09.16 At the end of the year	2830755 8500 6659 2845914	5.15 0.01 0.01 5.17	2830755 2839255 2845914 2845914	5.15 5.16 5.17 5.17
2	Chitra Vidyaprakash At the beginning of the year Transfer of shares as on 26.08.16 Transfer of shares as on 17.03.17 At the end of the year	157670 10 92560 250240	0.29 - 0.17 0.45	157670 157680 250240 250240	0.29 0.29 0.45 0.45
3	Nithya Vidyaprakash At the beginning of the year Transfer of shares as on 10.03.17 At the end of the year	92560 (92560) -	0.17 (0.17) -	92560 (92560) -	0.17 (0.17) -

There are no other changes in the shareholding of promoters during the year.

iv) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs);

S. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares Held	% of total Shares of the company	No.of Shares Held	% of total Shares of the company
1	Gagandeep Credit Capital Pvt Ltd At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	1400000 - 1400000	2.55 - 2.55	1400000 - 1400000	2.55 - 2.55
2	Nemish S Shah At the beginning of the year Increase / Decrease in shareholding during the year At the end of the year	760500 - 760500	1.38 - 1.38	760500 - 760500	1.38 - 1.38

iv) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs);

S. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares Held	% of total Shares of the company	No.of Shares Held	% of total Shares of the company
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	Mentor Capital Ltd				
	At the beginning of the year	317747	0.58	317747	0.58
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	317747	0.58	317747	0.58
5	S Sundravathanen				
	At the beginning of the year	299530	0.54	299530	0.54
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	299530	0.54	299530	0.54
6	Sanjeev Vinodchandra Parekh				
	At the beginning of the year	238393	0.43	238393	0.43
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	238393	0.43	238393	0.43
7	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
8	Devi D				
	At the beginning of the year	170470	0.31	170470	0.31
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	170470	0.31	170470	0.31

iv) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs);

S. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares Held	% of total Shares of the company	No.of Shares Held	% of total Shares of the company
9	Kamalam K#				
	At the beginning of the year	160710	0.29	160710	0.29
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	160710	0.29	160710	0.29
10	V N Ramasamy#				
	At the beginning of the year	154900	0.28	154900	0.28
	Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	154900	0.28	154900	0.28
11	Gayathri Balaji Naidu*				
	At the beginning of the year	681909	1.24	681909	1.24
	Transfer as on 08.07.2016	(30000)	(0.05)	651909	1.19
	Transfer as on 15.07.2016	(81909)	(0.14)	570000	1.04
	Transfer as on 22.07.2016	(260350)	(0.47)	309650	0.56
	Transfer as on 29.07.2016	(119650)	(0.22)	190000	0.35
	Transfer as on 05.08.2016	(60200)	(0.11)	129800	0.24
	Transfer as on 12.08.2016	(3200)	-	126600	0.23
	Transfer as on 09.09.2016	(86600)	(0.16)	40000	0.07
	Transfer as on 16.09.2016	(40000)	(0.07)	-	-
	At the end of the year	-	-	-	-
12	Shruti Mayank Shah*				
	At the beginning of the year	215710	0.39	215710	0.39
	Transfer as on 09.09.2016	(117577)	(0.21)	98133	0.18
	Transfer as on 23.09.2016	(48133)	(0.09)	50000	0.09
	Transfer as on 30.09.2016	(50000)	(0.09)	-	-
	At the end of the year	-	-	-	-

Not in the list of top 10 shareholders as 31.03.2016. The same is reflected above, since the shareholder is one of the top 10 shareholder as on 31.03.2017.

* Ceased to be in the list of top 10 shareholders as 31.03.2017. The same is reflected above, since the shareholder is one of the top 10 shareholder as on 31.03.2016.

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares Held	% of total Shares of the company	No. of Shares Held	% of total Shares of the company
1	Sumanth Ramamurthi* At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	9423860 - 9423860	17.13 - 17.13	9423860 - 9423860	17.13 - 17.13
2	A S Thirumoorthy At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	5000 - 5000	0.01 - 0.01	5000 - 5000	0.01 - 0.01
3	Sarath Chandran ** At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	11710 - 11710	0.02 - 0.02	11710 - 11710	0.02 - 0.02
4	B Vijay Venkataswamy At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	5000 - 5000	0.01 - 0.01	5000 - 5000	0.01 - 0.01
5	C S K Prabhu At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	5000 - 5000	0.01 - 0.01	5000 - 5000	0.01 - 0.01
6	B Vijayakumar At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	6670 - 6670	0.01 - 0.01	6670 - 6670	0.01 - 0.01
7	Sudarsan Varadaraj At the beginning of the year Increase / Decrease in Shareholding during the year At the end of the year	72810 - 72810	0.13 - 0.13	72810 - 72810	0.13 - 0.13
8	C G Kumar	NIL			
9	Suguna Ravichandran				
10	Ramaa Krishnakumar				
11	N Hemanand#				
12	C Shankar##				

* Including 6,50,000 shares held in HUF ** Including 6,500 shares held in HUF # Resigned wef 14th June, 2016.

##Appointed wef 15th June, 2016.

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

(₹ in Lakhs)

Name & Type of Transaction	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11149.83	28.00	-	11177.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	117.08	-	-	117.08
Total (i+ii+iii)	11266.91	28.00	-	11294.91
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reductions	2437.49	-	-	2437.49
Net Change	(2437.49)	-	-	(2437.49)
Indebtedness at the end of the financial year				
i) Principal Amount	8752.97	28.00	-	8780.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	76.45	-	-	76.45
Total (i+ii+iii)	8829.42	28.00	-	8857.42

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		Sumanth Ramamurthi Executive Chairman	A S Thirumoorthy Managing Director	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	46.17	61.56	107.73
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others	-	-	-
5	Others			
	Total (A)	46.17	61.56	107.73
	Ceiling as per the Act	As per Schedule V		

B. Remuneration to Other Directors

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Vijay Venkataswamy	CSK Prabhu	B.Vijayakumar	Sudarsan Varadaraj	C G Kumar	Suguna Ravichandran	D.Sarath Chandran	
1	Independent Directors								
	Fee for attending board committee meetings	1.03	1.06	0.53	0.22	0.70	0.40	-	3.94
	Commission	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-
	Total (1)	1.03	1.06	0.53	0.22	0.70	0.40	-	3.94
2	Other Non-Executive Directors								
	Fee for attending board committee meetings	-	-	-	-	-	-	0.42	0.42
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	0.42	0.42
	Total (B)=(1+2)	1.03	1.06	0.53	0.22	0.70	0.40	0.42	4.36
	Total Managerial Remuneration	1.03	1.06	0.53	0.22	0.70	0.40	0.42	4.36
	Overall Ceiling as per the Act	Not Exceeding one lakh per meeting							

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

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CS	CFO		
		Ramaa Krishnakumar	N Hemanand*	C Shankar\$	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	5.72	2.22	9.50	17.44
2	Stock Option	—	—	—	
3	Sweat Equity	—	—	—	
4	Commission - as % of profit - others	—	—	—	
5	Others				
	Total	5.72	2.22	9.50	17.44

* Upto 14th June 2016 \$ WEF 15th June 2016


VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Coimbatore
23rd October, 2017

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

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

- (i) the steps taken or impact on conservation of energy;
Various measures have been initiated to conserve energy at all the units. Power Audit is also being done to measure, monitor the Process-wise consumption of Power and necessary corrections are also taken wherever necessary to control the power costs. The following measures are also implemented
 - i. Replacing the T5 tube lights with LED tubes
 - ii. Optimizing the Ring frame motor KW
 - iii. CDS system for compact Ring frames
 - iv. Pnumasave fans and suction tubes for Ring frames
- (ii) the steps taken by the company for utilizing alternate sources of energy;
Solar energy is being used (24.7% of total energy) and steps are taken to improve its usage.
- (iii) the capital investment on energy conservation equipments;
The Company has incurred ₹ 16 Lakhs during the year under review towards Energy conservation equipments.

(B) Technology absorption

- i) the efforts made towards technology absorption - NIL
- ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported; NIL
 - (b) the year of import; N.A.
 - (c) whether the technology been fully absorbed; N.A.
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; - N.A.
- (iv) the expenditure incurred on Research and Development - NIL

(C) Foreign Exchange earnings and outgo

The foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows

₹ in Lakhs

Particulars	2016-17	2015-16
Total Foreign Exchange earnings	4,628	7,322
Total Foreign Exchange outflow	1,754	1,092

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 programmes

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/wpcontent/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 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 immediately preceding three financial years of the Company was in the negative.

5. Details of CSR spent during the Financial Year 2016-17

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.

A S Thirumoorthy

Managing Director

DIN: 03604474

C S K Prabhu

Chairman of CSR Committee

DIN : 00002913

Coimbatore

23rd October, 2017

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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, 2017** 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, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Companies Act, 1956 and the rules made thereunder (to the extent applicable);
- iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iv) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) 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;

vi) The following Law, as identified by the management, is specifically applicable to the industry to which the Company belongs,

- a. Hank Yarn Packing Notification, 2003 issued under Textile (Development and Regulation) Order, 2001 pursuant to Section 3 of the Essential Commodities Act, 1955;

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

- a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);
- b) Listing Agreement entered into by the Company with the BSE Limited and National Stock Exchange of India Limited;

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Standards etc., mentioned above.

I further report that, during the year under review, there were no actions/ events in pursuant of the following Rules/Regulations requiring compliance thereof by the Company:

- 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 (Share Based Employee Benefits) Regulations 2014;
- 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 (Buy back of Securities) Regulations, 1998;

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

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 auditor 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, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

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 Committees 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 Board of Directors of the Company at their meeting held on 24th November 2016 has initiated the procedure for the amalgamation of M/s. Sara Elgi Arteriors Limited (Wholly-owned Subsidiary) and M/s. Elgi Building Products Limited (Step-down wholly-owned Subsidiary) with the Company pursuant to Section 230 to 232 of the Companies Act, 2013 (Corresponding to Section 391 to 394 of the Companies Act, 1956). The amalgamation has since been approved by National Company Law Tribunal vide order dated 4th September 2017 and 19th September, 2017.

I, further report that during the period, there were no instances of:

Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.

Redemption / buy-back of securities

Major decision taken by the members in pursuant to Section 180 of the Companies Act, 2013.

Foreign technical collaborations.

M D SELVARAJ

MDS & Associates

Company Secretaries

FCS No.: 960; C P No.: 411

Place : Coimbatore

Date : 23rd October, 2017

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

'Annexure A'

To
The Members,
Super Spinning Mills Limited
(CIN: L17111TZ1962PLC001200)
'ELGI Towers', P.B No: 7113 Green Fields,
Puliakulam Road,
Coimbatore - 641 045.

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 standards, laws, rules and regulation 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.

Place : Coimbatore
Date : 23rd October, 2017

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411

Annexure 6

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 is given below:

Name	Ratio
Mr.Sumanth Ramamurthi, Executive Chairman	17:1
Mr. A S Thirumoorthy, Managing Director	23:1
Mr. C S K Prabhu	0.4:1
Mr. Vijay Venkataswamy	0.3:1
Mr. D.Sarath Chandran	0.1:1
Mr. B Vijayakumar	0.2:1
Mr. Sudarsan Varadaraj	0.1:1
Mr. C G Kumar	0.2:1
Mrs. Suguna Ravichandran	0.1:1

Sitting Fees paid to Non-Executive Directors has been considered as their remuneration.

- ii) The percentage increase in the median remuneration of employees in the financial year: 5%
There is 10% increase in the remuneration of Executive Chairman and the Managing Director
- iii) The number of permanent employees on the rolls of Company: 739
- iv) 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 5% for Employees and Managerial Personnel.
- v) Your Directors affirm that the remuneration is as per the remuneration policy of the Company.

Coimbatore
23rd October, 2017

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

Statement pursuant to section 17 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) Names of the top ten employees in terms of remuneration drawn and the name of every employee who was in receipt of remuneration not less than Rupees One Crore and two lakhs per annum or Rupees Eight Lakhs Fifty Thousand per month

Name	Date of Joining	Designation	Qualification & Experience	Age	% of share holding	Remuneration (₹ in Lakhs) (p.a.)	Last Employed
A S Thirumoorthy	31.10.2008	Managing Director	FCA, B.Sc., Mathematics 32 Years.	59	0.01	61.56	KSB Pumps Limited
Sumanth Ramamurthi	04.01.1992	Executive Chairman	B.S. (Electrical) USA. 25 Years	58	17.13	46.17	----
N Sreedhar	11.02.2016	VP-Operations	DTT, MBA - 28 Years.	48	-	19.80	National Textile Corporation Limited
V Balasundaram	13.11.2015	GM-Productions	DTT, MLM- 29 Years	52	-	17.26	Madura Coats Private Limited
S Dakshinamoorthy	03.06.1991	Senior Manager- Marketing	B.Tech, MBA - 26 Years	47	0.01	12.42	----
G Saikumar Reddy	11.11.1993	Manager - Production	DTT - 25 Years	47	-	9.95	Priyadarshini Spinning Mills Limited
C Shankar *	15.06.2016	Chief Finance Officer	ACA, ACS & ACMA 24 Years	46	-	9.50	Elgi Rubber Company Limited
A S Balaji	01.01.1990	Manager - Cotton	B.Com - 28 Years	53	-	7.89	RP & GT Processing Limited
Ramaa Krishnakumar	07.11.2015	Company Secretary	FCS - 22 Years	47	-	5.72	Jagannath Textiles Limited
Manohar V *	12.12.2016	DGM-Production	DTT, BBA - 30 Years	49	-	3.52	Rasi Textiles (i) Private Limited

*part of Financial year 2016-17

Note: 1. All the executives are on the permanent rolls of the Company.

2. No employees are related to any of the Directors of the Company.

3. Remuneration includes Salary, Allowances, contribution to Provident Fund and other taxable perquisites.

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

Coimbatore

23rd October, 2017



Management Discussion and Analysis

Industry Conditions and Review of Operations

The Cotton Textile industry has been facing major challenges during the year. The sale of yarn and price realization both in domestic and export markets have become drastically reduced compared to the cost of cotton candy during the period resulting in significant reduction in the margins of the Company. Under the conditions of uncertainty in cotton prices and sudden glut in yarn market, your company managed to reach a turnover of ₹ 294 Crores and have taken various serious measures to improve the situation during the current financial year.

The Company also felt the impact of demonetization for a short period, by way of slower and delayed realizations which in turn affected the regular operations of the Company. Measures are being implemented to save costs and rationalize operations to yield positive results.

Opportunities

With the anticipated decrease in inflation rates and improvement in consumer markets and normal monsoon forecast, the prices of Raw Cotton are also expected to remain stable during the next financial year and the demand for the textile products are also likely to improve. Besides this, measures are also initiated to maximize the capacity utilization and efficiency rate and also to minimize the expenditure involved to improve the profit margins of the Company. With the introduction of new GST, the increased compliance rate is likely to improve business operations in textile sector. The Company is also working on plans for developing the business of manufacturing UPVC building products, the operation of which were previously managed by subsidiary companies, which got amalgamated with the Company.

Threats

Lack of skilled manpower in Andhra Pradesh is one of the major threats faced by our industry which have a significant impact on the utilization capacity at optimum level.

The increasing cost of Power, transportation costs and raw materials costs increases the production costs resulting in heavy losses. Competition from peer groups with most modern facilities resulting in higher productivity, better quality and less manufacturing costs is one of the major threats faced by our Company.

Above all the uncertainty in the economic growth has an adverse impact on the growth of the industry. Depending on the monetary policy of the country, the performance of the company can be improved to reach the defined targets.

Risks and concerns

The nature and the magnitude of the risks associated with the Company shall be identified with the help of Risk Management policy adopted by the Company. Various measures for modernization and product diversification by way of value addition and development of imported Cotton/manmade fibers are being initiated to avoid such risks. These risks are also reviewed and placed before the Board periodically.

Health, safety and Security Environment

All safety measures concerning the health and safety of the Workers and staffs at all levels have been implemented and adopted by the Company. This has improved the morale among the workers and staffs and also the working environment at large.

Human Resources/Industrial Relations

Various measures are adopted to improve the life, work culture, productivity, efficiency and effectiveness of the workers and staff at all levels. Even though the Employer-Employee relations continues to remain cordial, under the situation of Non availability of skilled manpower, the costs of recruiting, training and deploying trained labour still remains a major constraint to the Company. The Company has 739 permanent employees on roll as on 31st March 2017.



Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") .

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 of which seven are Independent Directors including one Women Director as per requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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 2017 is as under:

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 08.09.16
Mr. Sumanth Ramamurthi (DIN : 00002773)	Executive Chairman Promoter and Executive	5	NIL/1	5	Yes
Mr. A S Thirumoorthy (DIN : 03604474)	Managing Director Executive	2	NIL/NIL	5	Yes
Mr. Sarath Chandran** (DIN : 00001885)	Non-Independent and Non-Executive	4	1/Nil	4	No
Mr. C S K Prabhu (DIN : 00002913)	Independent and Non-Executive	2	1/2	5	Yes
Mr. Sudarsan Varadaraj (DIN : 00133533)	Independent and Non-Executive	5	1/1	2	No
Mr. B Vijayakumar (DIN : 00015583)	Independent and Non-Executive	6	2/Nil	3	No
Mr. Vijay Venkataswamy** (DIN : 00002906)	Independent and Non-Executive	3	NIL/NIL	5	No
Mr. C G Kumar (DIN : 02823567)	Independent and Non-Executive	-	NIL/NIL	5	No
Mrs. Suguna Ravichandran (DIN : 00170190)	Independent and Non-Executive	1	1/NIL	4	Yes
Mr. B Lakshmi Narayana# (DIN : 00504396)	Independent and Non-Executive	1	NIL/NIL	N.A	N.A
Mr. A R Balasundharam# (DIN : 07802383)	Independent and Non-Executive	-	NIL/NIL	N.A	N.A

Excluding Directorships in Private and Foreign Companies

* Only Audit Committee and Stakeholders' Relationship Committee has been considered.

** Retired from the Directorship of the Company w.e.f 31st May 2017

Appointed as an Independent Non-Executive Director of the Company w.e.f 1st June 2017

During the year 2016-17, five Board Meetings were held at the registered Office on 30th May 2016, 27th July 2016, 3rd November 2016, 24th November 2016 and 31st January 2017.

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 the Chairman / Chairperson of more than 5 Committees, as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Statement showing number of shares held by the Non-Executive Directors as on 31st March 2017:-

Name of the Non-Executive Director	No. of Shares held
Mr. C S K Prabhu	5000
Mr. Vijay Venkataswamy	5000
Mr. Sarath Chandran	11710*
Mr. Sudarsan Varadaraj	72810
Mr. B Vijayakumar	6670
Mr. C G Kumar	-
Ms. Suguna Ravichandran	-

*includes 6500 shares held in HUF

Independent Directors Meeting

The Independent Directors meeting was held on 31st January, 2017 without the attendance of Non-Independent Directors and members of Management and they interalia, reviewed the performance of the Chairman, Non-Independent Directors and accessed the quality, quantity and timeliness of flow of information between the Company and the Board. The terms and conditions for appointment of Independent Directors are placed on Company's website www.superspinning.com.

Familiarization program for Independent Directors

At every Board Meeting the Senior Management representative of the Company present to the Directors, unit-wise operational and financial aspects of the Company. The Directors are also appraised about the new products and technology related aspects.

The details of familiarization program for the independent directors are placed on the Company's website viz, www.superspinning.com/wp-content/uploads/2016/03FamiliarizationProgramme.pdf.

Performance evaluation of non-executive and Independent Directors/Performance evaluation criteria

Pursuant to the provisions of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance.

Audit Committee

Brief Description of terms of reference:

The role, powers and functions of the committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this committee are as required under Regulation 18 read with Part C of Schedule II of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having access to all the required information from within the company, the committee can obtain external professional advice whenever required.

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 Audit Committee met five times during the year on 23rd May 2016, 22nd July 2016, 2nd November 2016, 24th November 2016 and 30th January 2017. 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	5
Mr. B Vijayakumar*	Non-Executive - Independent	2
Mr. Vijay Venkataswamy#	Non-Executive - Independent	5
Mr. C G Kumar**	Non-Executive - Independent	2

*Resigned from the membership of the Committee w.e.f 31st October 2016

**Appointed as Audit Committee member w.e.f 3rd November 2016

Upto 31.05.2017

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. The Audit Committee considered and reviewed the accounts for the year 2016-17, before it was placed in the Board.

Nomination and Remuneration Committee

The role, powers and functions of the Nomination and Remuneration Committee are as per Section 178 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this Committee are as required under regulation 19 read with part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the year under review, the Nomination and Remuneration Committee of the Board met twice on 23rd May 2016 and 31st January 2017.

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

Name	Category	No. of Meetings Attended
Mr. C S K Prabhu, Chairman	Non-Executive Independent	2
Mr. Sudarsan Varadaraj	Non-Executive Independent	1
Mr. B Vijayakumar	Non-Executive Independent	2
Mr. Vijay Venkataswamy*	Non-Executive Independent	2

* Upto 31.05.2017

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 and within the overall ceiling limits prescribed under the Companies Act, 2013.

The remuneration paid / payable to the Executive Directors of the Company for the year ended 31st March, 2017 is as follows.

Name of the Director	Remuneration (₹ in Lakhs)	Service Contract
Mr. Sumanth Ramamurthi Executive Chairman	46.17	01.04.2017 to 31.03.2020
Mr. A S Thirumoorthy Managing Director	61.56	01.04.2017 to 31.03.2020

Note : Remuneration includes Salary, Allowances, Perquisites and Company's contribution to Provident Fund.

No performance linked incentives were paid.

No sitting fees were paid to Executive Chairman and Managing Director.

The Non-Executive Directors are paid sitting fees for attending each Board and Committee Meetings as per details furnished below:

Name of the Non-Executive Director	Sitting Fees (In ₹)
Mr. C S K Prabhu	1,06,000
Mr. Vijay Venkataswamy	1,03,000
Mr. Sarath Chandran	42,000
Mr. Sudarsan Varadaraj	22,000
Mr. B Vijayakumar	53,000
Mr. C G Kumar	70,000
Ms. Suguna Ravichandran	40,000

The Company does not pay remuneration to any of its Non-Executive Directors except sitting fees for attending the Board/Committee Meeting(s).

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-executive Independent Directors during the year.

The Company currently does not have any Stock Option Scheme.

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

The nomination and remuneration committee (N&R 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.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted in compliance with provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This committee deals in matters relating to transfer and transmission of shares, issue of duplicate share certificates, review of dematerialized shares and 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.

During the year 2016-17 two meetings of the Stakeholders Relationship Committee were held on 20th April 2016 and 17th March 2017.

The composition of the Stakeholders Relationship Committee and particulars of meetings attended by the members is as follows:

Name of the Member	No. of Meetings Attended
Mr. C S K Prabhu, Chairman	2
Mr. Sarath Chandran (upto 31.05.2017)	1
Mr. Sumanth Ramamurthi	2
Mr. A S Thirumoorthy	2

Ms. Ramaa Krishnakumar acts as the Company Secretary and Compliance Officer of the Committee.

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 2017.

Pursuant to Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

Unclaimed Suspense Account

Pursuant to Regulation 39(4) read with Schedule VI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had transferred on 05.07.2014, its unclaimed shares to Super Spinning Mills Limited unclaimed suspense account opened with Coimbatore Capital Limited. The details of the Unclaimed Securities Suspense Account is given below:

Unclaimed Shares as on 01.04.2016		Shares Claimed during the period		Unclaimed Shares as on 31.03.2017	
No.of shareholders	No.of Shares	No. of shareholders	No. of Shares	No. of shareholders	No. of Shares
502	1006000	3	16520	499	989480

The voting rights of the shares lying in the Unclaimed Securities Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

Corporate Social Responsibility (CSR) Committee:

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility Committee.

The Committee comprises Mr C S K Prabhu, Mr Sumanth Ramamurthi and Mr A S Thirumoorthy as members.

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

Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms part of the Annual Report.

General Body Meetings

Details of Annual General Meetings held in last three years

Year	Location	Date	Time	Special Resolutions passed in the AGM's
2014	Ardra Convention Centre, Kaanchan No.9, North Huzur Road, Coimbatore - 641 018	10.09.2014	3.30 PM	<ul style="list-style-type: none"> i. Appointment of Executive Chairman and to fix his remuneration ii. Appointment of Managing Director and to fix his remuneration iii. Appointment of Mr. B Vijayakumar, Mr. Sudarsan Varadaraj, Mr. Vijay Venkataswamy and Mr. C S K Prabhu, as Independent Directors of the Company. iv. Alteration of Articles of Association of the Company v. Amending the Borrowing powers of Board of Directors under Section 180(1)(c) of the Companies Act, 2013 vi. Amending the Board power to create and mortgage the Companies properties under Section 180(1)(a) of the Companies Act, 2013
2015	Ardra Convention Centre, Kaanchan No.9, North Huzur Road, Coimbatore - 641 018	14.09.2015	3.30 PM	NIL
2016	Ardra Convention Centre, Kaanchan No.9, North Huzur Road, Coimbatore - 641 018	08.09.2016	3.30 PM	Appointment of Mr. Vijay Venkataswamy as an Independent Director of the Company.

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

EGM and Postal Ballot

During the year, no EGM was held. No resolutions were put through Postal Ballot last year. No Special Resolution requiring Postal Ballot is being proposed.

However, the company has conducted a Postal Ballot vide Notice dated 28th April 2017 for approval of the Scheme of Amalgamation of Sara Elgi Arteriors Limited (wholly-owned subsidiary) & Elgi Building Products Limited (Step down subsidiary) with the company and for the adoption of new set of Articles of Association.

The Company had appointed Mr.M.D.Selvaraj, FCS of MDS & Associates, Practising Company Secretary as the Scrutiniser for conducting the postal ballot process in a fair and transparent manner.

Accordingly, based on the report of the Scrutiniser, the resolutions set out in the Postal Ballot Notice were passed as Ordinary resolutions with requisite majority on 8th June 2017.

Means of Communication

The quarterly and annual financial results are published in the newspapers viz., Business Standard (all editions) and Maalai Murasu (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 and Time : Friday, 1st December 2017 at 3.30 P.M
 Venue : Ardra Convention Centre, Kaanchan, No.9,
 North Huzur Road, Coimbatore - 641018
 Date of Book closure : 25th November 2017 to 1st December 2017
 (both days inclusive)
 Dividend Payment Date : Not Applicable

Listing of shares on Stock Exchanges

BSE Limited

Phiroze Jeejeebhoy Towers
 Dalal Street, Fort
 Mumbai - 400 001

National Stock Exchange of India Ltd

Exchange Plaza, 5th Floor, Plot No. C/1
 'G' Block, Bandra-Kurla Complex
 Bandra (East), Mumbai - 400 051

STOCK MARKET DATA

Type of Security: Equity

The Equity Shares of the company are listed on The BSE Limited and National Stock Exchange of India Limited. The company confirms that it has paid annual listing fees to "The BSE Limited and National Stock Exchange of India Limited" for the year 2017-18.

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 2016-17

Month	BSE Limited				National Stock Exchange			
	Share Price		Sensex		Share Price		S&P Nifty	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April'16	8.28	6.11	26,101	24,523	7.45	6.25	7,992	7,517
May'16	8.20	6.40	26,837	25,056	8.40	6.60	8,214	7,678
June'16	8.59	6.66	27,105	25,911	8.50	6.65	8,308	7,927
July'16	11.80	7.20	28,240	27,034	12.00	7.10	8,675	8,288
August'16	10.80	8.60	28,532	27,628	10.90	8.05	8,819	8,518
September'16	15.15	8.96	29,077	27,717	15.20	8.85	8,969	8,703
October'16	20.50	14.20	28,478	27,488	20.50	14.00	8,807	8,506
November'16	17.63	10.26	28,030	25,718	17.55	10.20	8,670	7,916
December'16	13.15	10.95	26,804	25,754	13.35	10.75	8,274	7,894
January'17	14.08	11.50	27,980	26,447	14.00	11.40	8,673	8,134
February'17	14.50	11.92	29,065	27,590	14.35	12.00	8,982	8,538
March'17	12.95	11.00	29,825	28,716	13.20	10.90	9,218	8,860

Note: The Face Value is ₹ 1/-

Share Transfer System

The company's shares being in compulsory dematerialized (demat) list are transferable through the depository system. Shares in physical form are processed by the Registrar and Share Transfer Agents, Link Intime India Private Limited and approved by the Stakeholders Relationship Committee of the Company. The Share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by Link Intime India Private Limited, if the documents are complete in all respects. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. 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 2017

Category	No. of Share Holders	No. of shares held	% of share Holding
Promoters and promoters group	21	23353564	42.46
Financial Institutions, Banks	1	1470	0.00
Foreign Institutional Investors/NRI/ OCB	1	1000	0.00
Bodies Corporate	197	3304549	6.00
Public	9648	28339417	51.54
Total	9868	55000000	100.00

Distribution of shareholdings as on 31st March 2017

Shares	No of Shareholders	% of holding	No of Shares	% of holding
1 - 500	4905	49.72	11,64,513	2.12
501 - 1000	1735	17.58	15,59,947	2.84
1001 - 2000	1132	11.47	18,52,795	3.37
2001 - 3000	534	5.41	14,12,776	2.57
3001 - 4000	247	2.50	9,09,937	1.65
4001 - 5000	322	3.26	15,61,760	2.84
5001 - 10000	481	4.87	37,45,674	6.81
10001 Above	512	5.19	4,27,92,598	77.80
Total	9868	100.00	5,50,00,000	100.00

Demat and Physical Shares as on 31st March, 2017

Particulars	No. of Shares	% to Share capital
National Securities Depository Limited	4,31,50,359	78.46
Central Depository Services (India) Limited	1,01,72,131	18.49
Physical	16,77,510	3.05
Total	5,50,00,000	100.00

The custodial fee to the depositories (NSDL & CDSL) was paid for the year 2017-18.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments and their likely impact on equity

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

Plant Locations

A unit Kirikera, Hindupur, Ananthapur Dist, Andhra Pradesh.	B unit Kotnur, Hindupur, Ananthapur Dist, Andhra Pradesh.
Super Sara Beerepalli, Hindupur, Ananthapur Dist, Andhra Pradesh	
Address for Correspondence & Registered Office Ms. Ramaa Krishnakumar 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.superspining.com	Address for Correspondence with Registrar and Share Transfer Agents Link Intime India Pvt Limited Coimbatore Branch Office "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

Disclosure

Related Party Transactions

a) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards. All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Kindly refer to the notes forming part of accounts for the details of Related Party Transactions.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authorities, or any matter relating to capital markets, during the last three years

No penalties or strictures was imposed on the Company by Stock Exchanges or SEBI or any Statutory Authorities on any matter related to capital markets, during the last three years.

c) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee

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.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has adopted the non-mandatory requirement relating to Reporting of Internal Auditors to Audit Committee as recommended in terms of Regulation 27(1) read with Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Web link where policy for determining "material" subsidiaries is disclosed

The Company has framed a Material Subsidiaries Policy and the same is placed on the Company's website and the web link for the same is <http://www.superspinning.com/wp-content/uploads/2015/01/Policy-on-Subsidiaries.pdf>.

f) Web link where policy on dealing with related party transactions

The Company has framed Related Party Transaction Policy and the same is placed on the Company's website and the web link for the same is <http://www.superspinning.com/wp-content/uploads/2016/08/PolicyOnRelatedPartyTransaction.pdf>.

g) Disclosure of commodity price risks and commodity hedging activities

During the financial year ended 31st March 2017, the Company did not engage in commodity hedging activities.

h) Disclosure on accounting treatment

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

i) Disclosure on risk management

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

There has been no instances of non-compliance of any requirement of corporate governance report as stated above.

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate from CEO / CFO

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 23.10.2017 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct

The Board of Directors has laid down a code of conduct for all Board Members and Senior Management of the Company. The same has been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code of conduct for the year under review.

Code for Prevention of Insider Trading

The Company has framed a code of conduct for monitoring the trading done by Insiders based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated employees.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Declaration for code of conduct

I hereby affirm and state that all board members and senior management personnel of the company have give a declaration in accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and I hereby affirm compliance with the said code of conduct for the financial year 2016-2017.

Coimbatore
23rd October, 2017

A S Thirumoorthy
Managing Director & CEO
DIN: 03604474



Independent Auditors' Report

Auditors' Certificate on Corporate Governance

To **The Members of Super Spinning Mills Limited,**

We have examined the compliance of conditions of Corporate Governance by Super Spinning Mills Limited ('the company'), for the year ended 31st March, 2017, as per the relevant provisions of securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliances of conditions of Corporate Governance are the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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 and Janardhan
Chartered Accountants
(Firm's Registration No. 003254S)

(Balakrishna S Bhat)
(Partner)

(Membership No. 202976)

Coimbatore, 23rd October 2017

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 C Shankar, 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 2017 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 2017 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 the 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 2017.
 - ii. There have not been any significant changes in accounting policies during the year ended 31st March 2017.
 - iii. There have been no instances during the year ended 31st March 2017 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.

A S Thirumoorthy

Managing Director and CEO
DIN : 03604474

C Shankar

Chief Financial Officer

Coimbatore, 23rd October, 2017



INDEPENDENT AUDITOR'S REPORT

To the members of SUPER SPINNING MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of SUPER SPINNING MILLS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its losses and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements included in Note No. 28.2 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.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company.

For Reddy Goud and Janardhan
Chartered Accountants
(Firm's Registration No. 003254S)

(Balakrishna S Bhat)
(Partner)
(Membership No. 202976)



ANNEXURE A 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 **SUPER SPINNING MILLS LIMITED** for the year ended March 31, 2017)

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.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.
 - 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. 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, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, guarantees and investments made.
 - v) In our opinion and according to the information and explanations given to us, during the year, 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 2017 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	553.94	1993-1999 2000-2004 2004-2005 2005-2009 2011-12	CIT(Appeals), Coimbatore CIT(Appeals), Coimbatore ITAT, Chennai CIT(Appeals), Coimbatore 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	Madras High Court, Chennai
TNGST Act, 1959	Sales Tax	Rate Difference	149.42	2004-2008	Madras High Court, Chennai
TNGST Act, 1959	Sales Tax	CST Rate Difference	0.31	2010-11	Appellate Deputy Commissioner of Commercial Taxes, 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



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- viii) The company has not defaulted in repayment of loans and borrowing to financial institution, bank, government or dues to debenture holders.
- ix) The company has not raised any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Reddy Goud and Janardhan
Chartered Accountants
(Firm's Registration No. 003254S)

(Balakrishna S Bhat)
(Partner)

(Membership No. 202976)

Coimbatore, 23rd October 2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of SUPER SPINNING MILLS LIMITED ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets



of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls over Financial Reporting

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

Opinion

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

For Reddy Goud and Janardhan
Chartered Accountants
(Firm's Registration No. 003254S)

(Balakrishna S Bhat)
(Partner)

(Membership No. 202976)

Coimbatore, 23rd October 2017



5 Year Highlights

₹ lakhs

Operating Results	2013	2014	2015	2016	2017
Sales and Other Income	44217	52623	44635	35027	30678
Operating Profit	4842	4412	1813	686	1321
Finance Cost	2311	2380	2304	2143	1700
Gross Profit	2531	2033	(491)	(1457)	(379)
Depreciation	1697	1511	1037	995	956
Taxes	84	150	(541)	(299)	(263)
Net Profit	751	332	(1174)	(582)	(1072)
Performance Parameters					
Net Fixed Assets	10107	9603	9294	7119	6999
Share Capital	550	550	550	550	550
Reserves	6452	6784	5521	4938	4236
Net Worth	7002	7334	6071	5488	4786
Return on Net Worth (%)	10.72	4.53	(19.34)	(10.61)	(22.39)
Bank Borrowings	13206	13892	12485	11150	8753
Debt : Equity	1.89 : 1	1.89 : 1	2.06 : 1	2.03 : 1	1.83 : 1
Earnings per Share (in ₹)	1.36	0.60	(2.13)	(1.06)	(1.95)



Balance Sheet as at 31st March 2017

		₹ lakhs	
Particulars	Note No.	31.03.2017	31.03.2016
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	550.00	550.00
(b) Reserves and surplus	4	4,235.62	4,938.28
2 Non-current liabilities			
(a) Long-term borrowings	5	1,660.76	3,067.41
(b) Long-term provisions	6	563.44	434.62
3 Current liabilities			
(a) Short-term borrowings	7	5,713.81	6,642.03
(b) Trade payables	8	4,576.10	4,787.88
(c) Other current liabilities	9	2,052.95	2,242.44
(d) Short-term provisions	10	282.41	326.62
TOTAL		19,635.09	22,989.28
II. ASSETS			
1 Non-current assets			
(a) (1) Property, Plant and Equipment	11.a	6,358.67	7,116.43
(2) Intangible assets	11.b	639.73	1.32
(3) Capital Work in Progress	11.c	1.01	0.82
(b) Non-current investments	12	1,294.02	2,715.59
(c) Deferred tax assets (Net)	13	2,132.21	1,624.93
(d) Long-term loans and advances	14	643.56	714.84
(e) Other Non Current assets	15	849.31	848.86
2 Current assets			
(a) Inventories	16	3,298.88	3,839.82
(b) Trade receivables	17	1,187.06	2,667.87
(c) Cash and Bank Balances	18	147.14	66.79
(d) Short-term loans and advances	19	2,480.88	2,512.49
(e) Other current assets	20	602.62	879.52
TOTAL		19,635.09	22,989.28

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, 23rd October, 2017

C Shankar
Chief Financial Officer

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

A S Thirumoorthy
Managing Director
DIN : 03604474

Ramaa Krishnakumar
Company Secretary



Statement of Profit and Loss for the year ended 31st March 2017

				₹ lakhs
Particulars	Note No.	31.03.2017	31.03.2016	
I. Revenue from operations	21	29,406.89	34,829.02	
II. Other income	22	1,271.02	198.12	
III. Total Revenue		30,677.91	35,027.14	
IV. Expenses:				
Cost of materials consumed	23.a	17,584.51	19,282.02	
Purchases of Stock-in-Trade	23.b	—	267.51	
Changes in inventories of Finished goods, Work-in Progress and Stock in Trade	23.c	(44.79)	110.23	
Power and Fuel		4,539.27	5,867.70	
Employee benefits expense	24	4,066.86	4,798.12	
Finance costs	25	1,700.02	2,143.23	
Depreciation and amortization expense	11	956.32	995.30	
Other expenses	26	3,152.28	4,015.22	
Total Expenses		31,954.47	37,479.33	
V. Profit before exceptional and extraordinary items and tax (III-IV)		(1,276.56)	(2,452.19)	
VI. Exceptional items	27	58.50	23.90	
VII. Profit before extraordinary items and tax (V - VI)		(1,335.06)	(2,476.09)	
VIII. Extraordinary Items		—	1,594.89	
IX. Profit / (Loss) Before Tax (VII - VIII)		(1,335.06)	(881.20)	
X. Tax expense:				
Current tax		—	—	
Deferred tax		(263.35)	(298.98)	
XI. Profit / (Loss) After Tax (IX-X)		(1071.71)	(582.22)	
XII. Earnings per share:				
Basic and Diluted		(1.95)	(1.06)	

See accompanying notes forming part of the financial statements

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

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Managing Director
DIN : 03604474

Ramaa Krishnakumar
Company Secretary



Cash Flow Statement for the year ended 31st March 2017

	2016-17	2015-16
A. Cash Flow from operating activities :		
Net Profit before tax and extraordinary items	(1335.06)	(2476.09)
Adjustment for :		
Depreciation and amortisation Expenses	956.32	995.30
(Profit)/Loss on sale of assets	(1,200.50)	(93.82)
(Profit)/Loss on sale of investments	(0.15)	-
Interest Income	(50.11)	(62.56)
Interest Expenses	1,683.19	2,088.24
Unrealised exchange (gain)/Loss	(16.18)	(8.06)
Operating Profit before working capital changes	37.51	443.01
Adjustments for :		
Trade receivables	1198.52	619.83
Other receivables	659.48	45.50
Inventories	681.61	139.03
Other Bank balances	-	10.17
Trade and other payables	(336.66)	(834.78)
Cash generated from operations	2240.46	422.76
Taxes paid	-	-
Net Cash Flow from operating activities	(A) 2240.46	422.76
B. Cash Flow from Investing activities :		
Purchase of fixed assets [Including CWIP]	(80.39)	385.73
Sale of fixed assets	1549.40	2,483.24
Sale of investments	21.62	-
Purchase of investments	-	15.20
Interest income	50.11	62.56
Net cash used for investing activities	(B) 1540.74	2946.73
C. Cash Flow from financing activities :		
Long term borrowings	(1468.65)	(301.75)
Interest expenses	(1683.19)	(2088.24)
Working capital borrowings	(928.22)	(1033.37)
Unsecured loans & deposits	360.00	(0.45)
Net cash flow from financing activities	(C) (3720.06)	(3423.81)
Net Increase / (Decrease) in cash and cash equivalent	61.14	(54.32)
Cash and cash equivalents - Opening	66.79	121.11
Add: Opening cash & cash equivalents on account of merger	19.21	-
	147.14	66.79
1. Cash and Cash Equivalents		
a Cash on Hand	5.49	4.24
b Cheque in transit	0.47	0.84
c Balance with banks: On current accounts	79.94	61.71
d Margin Money Deposit	61.24	0.00
	147.14	66.79
Cash and Bank balances as per Balance Sheet (Note No.18)	147.14	66.79

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

C Shankar

Chief Financial Officer

For and on behalf of the Board

Sumanth Ramamurthi

Executive Chairman

DIN : 00002773

A S Thirumoorthy

Managing Director

DIN : 03604474

Ramaa Krishnakumar

Company Secretary

Coimbatore, 23rd October, 2017



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, UPVC windows and doors. Its shares are listed on the BSE Ltd and the National Stock Exchange of India Ltd. The company has manufacturing units in 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.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates. Significant estimates used by the management in the preparation of these financial statements include, work in progress, provisions for bad and doubtful debts, estimates of the useful life of the fixed assets.

Scheme of Amalgamation

As per the Scheme of Amalgamation (hereinafter referred to as "Scheme"), as approved by the National Company Law Tribunal on 4th September 2017 and 19th September, 2017 among Super Spinning Mills Limited (SSML), Elgi Building Products Limited (EBPL) and Sara Elgi Arteriors Limited (SEAL) the whole of the

undertaking of EBPL and SEAL comprising of its business, all assets, both movables and immovables and liabilities of whatsoever nature and wheresoever situated were transferred to and vested in SSML as a going concern from the appointed date ie. 1st April 2016.

Accounting Treatment

- i. Super Spinning Mills Limited (SSML) has recorded the assets and liabilities of Elgi Building Products Limited (EBPL) and Sara Elgi Arteriors Limited (SEAL) vested in it pursuant to the scheme, at their respective book values in the same form as appearing in the books of EBPL and SEAL at the close of business of the immediately preceding the appointed date.
- ii. Effect on account of Inter-corporate investments, loans or balances between SSML, EBPL and SEAL, inter se has been given in the books of accounts and records of SSML for the reduction of assets and liabilities as the case may be.
- iii. In respect of certain assets including land/ fixed deposits etc., vested with the Company based on the aforesaid scheme, formalities regarding change of name in the relevant legal records/ title deeds in the name of the Company in accordance with the scheme are under progress..

2.2 Property, Plant and Equipment

- a. Property, Plant and Equipment 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



Notes forming part of the financial statements

direct cost, related incidental expenditure and attributable interest.

c. Depreciation

- i) Depreciation is provided on straight line method based on the useful life of the assets in the manner prescribed in Schedule II of the Companies Act 2013, except in respect of those assets referred in para (b) below where the useful life estimated different from Schedule II of the said Act.
- ii) The company is considering the 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

2.3 Intangible assets

ERP software & other software is amortised over a period of five years, being the estimated useful life of the asset. Goodwill on account of amalgamation is amortised over a period of 5 years.

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.
- 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.



Notes forming part of the financial statements

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

Notes forming part of the financial statements

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.

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		
27,50,00,000 (10,00,00,000) Equity Shares of ₹ 1/- each	2,750.00	1,000.00
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 shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2017		As at 31.03.2016	
	₹ 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

31.03.2017 31.03.2016

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

Figure 1



Notes forming part of the financial statements

3.3 Shareholders holding more than 5% of shares

Name of the Shareholder	As at 31.03.2017		As at 31.03.2016	
	No. of shares	% of holding	No. of shares	% of holding
Sumanth Ramamurthi	8,773,860	15.95	8,773,860	15.95
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
Super Farm Products (P) Limited	2,845,914	5.17	2,830,755	5.15

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 proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

₹ lakhs

31.03.2017 31.03.2016

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	(5,125.34)	(4,543.12)
Add: Transfer of surplus on account of merger	227.30	
Add: Amount Transferred from statement of profit and loss	(1071.71)	(582.22)
Less: Utilised / Transferred	—	—
Closing Balance	(5,969.75)	(5,125.34)

b. Capital Reserve

Opening Balance	48.19	48.19
Add: Transfer of Capital Reserve on account of merger	2.83	
Add: Additions	—	—
Less: Utilised / Transferred	—	—
Closing Balance	51.02	48.19



Notes forming part of the financial statements

₹ lakhs

31.03.2017 31.03.2016

4 Reserves and Surplus

c. Securities Premium Reserve		
Opening Balance	1,487.50	1,487.50
Add: Additions on account of merger	—	—
Less: Utilised / Transferred	—	—
Closing Balance	1,487.50	1,487.50
d. General Reserve		
Opening Balance	8,527.93	8,527.93
Add: Transfer of General Reserve on account of merger	138.92	—
Add: Additions	—	—
Less: Utilised / Transferred	—	—
Closing Balance	8,666.85	8,527.93
Total	4,235.62	4,938.28

5 Long-term Borrowings

Term Loans(Secured)		
From Banks	1,660.76	3,067.41
Total	1,660.76	3,067.41

5.1 Repayment Schedule

Long-term Borrowings	Quarterly / Monthly Instalments	Rate of Interest (%)	Final Instalment
State Bank of India - TL -1	12	14.65	Mar 18
Andhra Bank	30	13.20	Sep 19
State Bank of India - TL-2	45	14.65	Dec 20
SBI - Term Loan (TUFS)	44	14.65	Nov 20
State Bank of India	36	14.20	Mar 20

5.2 Details of security for Long-term Borrowings

The Tuf loan from SBI 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 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.



Notes forming part of the financial statements

	31.03.2017	₹ lakhs 31.03.2016
6 Long-term Provisions		
Gratuity	535.71	403.08
Leave Encashment	27.73	31.54
Total	563.44	434.62
7 Short-term Borrowings		
Loans repayable on demand		
From Banks	5,685.81	6,614.03
Unsecured loan from related party	28.00	28.00
Total	5,713.81	6,642.03
7.1 Working Capital loans from banks are secured by:		
a. First pari pasu charge on entire current assets of the company		
b. 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 - [12.70% to 14.65%] & for Packing Credit [9.90% to 11.65%]		
8 Trade Payables	4,576.10	4,787.88
The Company has sent letters to all its vendors for confirming their status on the balance sheet date. However, no communication as such have been received from most of the vendors. Due to this, disclosure as required under MSMED Act, 2006 cannot be provided for by the Management.		
9 Other Current Liabilities		
Current Maturities of Long Term Borrowings	1,406.40	1,468.40
Interest Accrued but not due	76.45	117.08
Statutory Remittances	66.45	30.78
Outstanding expenses	280.37	478.30
Advance from Customers	113.01	54.49
Others	110.27	93.39
Total	2,052.95	2,242.44
10 Short-term Provisions		
For Bonus	207.75	237.01
Provision for Taxation	3.69	—
For Gratuity	70.97	89.61
Total	282.41	326.62

Notes forming part of the financial statements

11. Tangible and Intangible Assets											₹ in lakhs			
S No	Particulars	Gross Block						Depreciation / Amortisation					Net Block	
		As at 01.04.2016	Additions of subsidiary company's PPE on account of merger	Additions	Disposals	Reclasi- fication	As at 31.03.2017	As at 01.04.2016	Additions of subsidiary company's accumulated depreciation on account of merger	For the year	Disposals	Reclasi- fication	As at 31.03.2017	As at 01.04.2016
11.a	Property, Plant and Equipment													
	Land	359.59	206.41	-	202.64		363.36	-	-	-			363.36	359.59
	Buildings	4,783.72	-	13.71	49.93		4,747.50	1,729.97	163.13	32.13		1,860.97	2,886.53	3,053.75
	Plant and Equipment	26,576.20	1,066.96	44.80	1,522.19		26,165.77	22,982.47	600.03	1,394.19		23,159.56	3,006.21	3,593.73
	Data Processing Machinery	646.24	49.57	3.25	-		699.06	578.87	47.09	27.05	-	653.01	46.05	67.37
	Furniture and Fixtures	229.49	33.65	18.43	0.03		281.54	198.22	31.70	5.06	0.03	234.95	46.59	31.27
	Vehicles	193.08	8.33	-	9.29		192.12	182.36	7.90	0.76	8.83	182.19	9.93	10.72
	Total	32,788.32	1,364.92	80.19	1,784.08	-	32,449.35	25,671.89	1,057.94	796.03	1,435.18	-	6,358.67	7,116.43
11.b	Intangible Assets													
	Computer software	313.77	-	-	-		313.77	312.45	-	0.55	-	313.00	0.77	1.32
	Goodwill on Merger	-	798.70	-	-		798.70	-	-	159.74	-	159.74	638.96	-
	Total	313.77	798.70	-	-	-	1,112.47	312.45	-	160.29	-	472.74	639.73	1.32
11.c	Capital Work-in Progress													
	Furniture & Fixtures	0.82	-	(0.82)	-		-	-	-	-	-	-	-	0.82
	Buildings	-	-	1.01	-		1.01	-	-	-	-	-	1.01	-
	Total	0.82	-	0.19	-	-	1.01	-	-	-	-	-	1.01	0.82
	Grand Total	33,102.91	2,163.62	80.38	1,784.08	-	33,592.83	25,984.34	1,057.94	956.32	1,435.18	-	26,563.42	7,118.57
	Previous Year	40,555.43		57.25	6,003.18	1,501.59	33,102.91	31,256.30	995.30	5,208.65	1,058.61	25,984.34	7,118.57	9,294.13
Note : Information with regard to property, plant and equipments placed as security for borrowings is disclosed under Note 5.2 and 7														



Notes forming part of the financial statements

	31.03.2017	₹ lakhs 31.03.2016
12 Non-current Investments		
Investments in Equity Shares		
Subsidiaries		
Non-Trade Unquoted (At cost)		
Elgi Building Products Ltd		
C.Y- Nil (P.Y-29,99,592) shares of ₹ 10/- each fully paid	—	299.96
Sara Elgi Arteriors Ltd		
C.Y -Nil (P.Y-25,00,000) shares of ₹ 10/- each fully paid	—	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	1,293.02	1,293.02
MMS Steel and Power Ltd		
C.Y - Nil (P.Y-2,03,938) shares of ₹ 10/- each fully paid	—	20.39
Suryadev Alloys steels		
C.Y - Nil (P.Y - 900) shares of ₹ 10/- each fully paid	—	1.22
Cotton Sourcing Company Ltd		
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		
C.Y-Nil(P.Y-70,00,000) 10% 8 years Non-cumulative redeemable shares of ₹ 10/- each fully paid	—	700.00
Elgi Building Products Ltd		
C.Y-Nil(P.Y-5,00,000) 10% 8 years Cumulative redeemable shares of ₹ 10/- each fully paid	—	50.00
Aggregate value of Unquoted Investments (At Cost)	1,294.02	2,715.59
Fair Value ₹ 1294.01 lakhs (Previous Year ₹ 2715.59 lakhs)		

12.1 During the year, investment in subsidiaries have been reduced to NIL. Pursuant to the Scheme of Amalgamation as per National Company Law Tribunal's order dated 4th September, 2017 and 19th September, 2017. As such, line by line items of assets and liabilities of the subsidiaries have been merged with the Company with effect from 01.04.2016.

13 Deferred Tax Liabilities / (Assets)

Particulars	Balance as of 31.03.2016	Add: opening balance of subsidiary companies on account of merger	Charge / Credit	Closing as of 31.03.2017
Depreciation	1371.20	11.50	(65.70)	1,317.00
Loss	(2710.49)	(255.50)	(150.28)	(3,116.27)
Others	(285.64)	0.07	(47.37)	(332.94)
Total - Liability / (Asset)	(1624.93)	(243.93)	(263.35)	(2132.21)



Notes forming part of the financial statements

		₹ lakhs
	31.03.2017	31.03.2016
14 Long-term loans and advances		
Capital Advance	—	3.00
Security Deposit	643.56	711.84
Total	643.56	714.84
15 Non Current Assets		
Trade Receivable (Refer Note 15.1)	495.74	482.35
Advance to Suppliers	56.91	69.85
MAT Credit	296.66	296.66
Total	849.31	848.86
15.1.Trade receivables due from certain customers are under litigation at various forums. However, management is confident of recovering these dues and hence provision for doubtful debts has not been provided for.		
16 Inventories		
Valued at Cost or Net Realisable value whichever is lower		
Raw Materials	1,022.20	1,547.25
Work in Process	879.57	719.05
Finished Goods	1,178.36	1,328.95
Stores and Spares	122.87	216.92
Waste	94.88	27.65
Traded Goods	1.00	-
Total	3,298.88	3,839.82
17 Trade Receivables		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	235.94	12.55
Others	951.12	2,655.32
Total	1,187.06	2,667.87
18 Cash and Bank Balances		
1. Cash and Cash equivalents		
a. Cash on Hand	5.49	4.24
b. Cheque in transit	0.47	0.84
c. Balance with banks: On current accounts	79.94	61.71
d. Margin Money Deposit	61.24	—
Total	147.14	66.79

Margin money deposit with carrying amount of ₹ 61.24 lakhs (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
	31.03.2017		31.03.2016
19 Short-term Loans and Advances			
Unsecured, considered good			
Advance for Suppliers	91.41		68.39
Prepaid Expenses	117.58		108.27
Employee Related Advances	49.39		56.40
Balance with Government Authorities	2,102.36		2,162.24
Other Deposits & Advances	120.14		117.19
Total	2,480.88		2,512.49
20 Other Current Assets			
Interest Accrued	65.37		65.87
Income Accrued	537.25		370.67
Fixed Assets Held for Sale	—		442.98
Total	602.62		879.52
21 Revenue from Operations			
Sale of products :			
Domestic	24345.30		
Export	4679.80	29,025.10	34,445.28
Other operating revenues		392.86	383.74
Less: Excise duty		11.07	—
Total		29,406.89	34,829.02
21.1 Other operating revenues Includes			
Job Work Charges		6.90	0.38
Export Incentive		125.42	201.35
Others		260.54	182.01
		392.86	383.74
22 Other Income			
Interest Income (Refer Note 22.1 below)		50.11	62.56
Other Non-operating Income(Refer Note 22.2 below)		1,220.91	135.56
Total		1,271.02	198.12
22.1 Interest Income			
Interest on Electricity Deposits		49.27	53.45
Interest on IT refunds		0.10	—
Other Interest Receipts		0.74	9.11
Total		50.11	62.56



Notes forming part of the financial statements

		₹ lakhs
	31.03.2017	31.03.2016
22.2 Other Non-operating Income		
Agri Income	2.26	3.08
Rent Receipts	12.12	20.43
Profit/(Loss) on sale of assets	1,200.50	93.82
Profit/(Loss) on sale of Investments	0.15	-
Exchange Gain/ (Loss) (Net)	5.88	18.23
Total	1,220.91	135.56
23.a Cost of Materials Consumed		
Opening Stock	1,547.25	1,541.36
Add: Opening Stock of Subsidiaries on account of merger	107.29	-
Add: Purchases	16,952.17	19,287.91
Less: Closing Stock	1,022.20	1,547.25
Total	17,584.51	19,282.02
Material consumed comprises:		
Cotton	17,559.84	19,282.02
Resin and Additives	6.93	-
Steel Reinforcement	-	-
Profiles and Other accessories for doors and windows	17.74	-
Total	17,584.51	19,282.02
23.b Purchase of Traded goods		
Cotton	-	228.46
Stores	-	39.05
Total	-	267.51
23.c Change in Inventories of Finished goods, Work-in Process & Stock in Trade		
Inventories at the end of the year		
Finished goods	1,178.36	1,328.95
Work-in Progress	879.57	719.05
Stock in Trade	1.00	-
Waste	94.88	27.65
Total	2,153.81	2,075.65
Inventories at the beginning of the year		
Finished goods	1,328.95	999.29
Add: Finished goods of subsidiaries on account of merger	9.49	-
Work-in Progress	719.05	1,125.23
Add: Work-in Progress of subsidiaries on account of merger	21.64	-
Stock in Trade	-	-
Add: Stock in Trade of subsidiaries on account of merger	2.24	-
Waste	27.65	61.36
Total	2,109.02	2,185.88
Net (Increase) / Decrease	(44.79)	110.23



Notes forming part of the financial statements

		₹ lakhs
	31.03.2017	31.03.2016
24 Employee Benefit Expenses		
Salaries	3,318.94	3,944.88
Contributions to		
- Provident Funds	173.48	189.13
- Super Annuation Funds	3.27	4.49
Gratuity Fund Contributions	116.49	92.01
Welfare Expenses	454.68	567.61
Total	4,066.86	4,798.12
25 Finance Cost		
Interest on Borrowings	1,683.19	2,088.24
Other Borrowing Cost	16.83	54.99
Total	1,700.02	2,143.23
26 Other Expenses		
Stores	1,394.14	1,772.37
Repairs and Maintenance		
Buildings	41.21	43.19
Machinery	215.73	363.92
Others	38.75	45.32
Processing Charges	68.20	75.54
Selling Expenses	841.43	1,067.90
Insurance	48.86	56.78
Postage, Telephone and Printing	27.47	37.36
Travelling and Transport charges	89.55	148.63
Bank charges	104.57	130.54
Taxes and Licence	86.42	96.61
Professional charges	36.31	30.20
Auditors' Remuneration(Refer Note 26.1 below)	12.73	10.10
Directors' Sitting fees	4.78	3.77
R & D Expenses written off	2.46	-
Agricultural Expenses	16.22	20.44
Others	123.45	112.55
Total	3,152.28	4,015.22
26.1 Auditors' Remuneration:		
As Auditor	6.95	5.70
Tax Audit Fee	1.73	1.48
Others	4.05	2.92
Total	12.73	10.10

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



Notes forming part of the financial statements

		₹ lakhs
28 Additional Information to the Financial Statements	31.03.2017	31.03.2016
28.1 Estimated amount of contracts remaining to be executed on capital & Spares account and not provided for	63.82	65.60
28.2 Contingent Liabilities:		
Bank Guarantees	6.00	75.00
Bills discounted with company's bankers	909.69	575.70
Disputed demands from Income tax authorities	553.94	489.16
Disputed Excise duty liability	75.98	75.98
Disputed Sales tax liability	396.62	246.88
Corporate Guarantee to bank on behalf of subsidiary	–	140.00
28.3 Earnings in Foreign Exchange:		
Export of Goods(FOB value)	4,628.33	7,321.91
28.4 Expenditure in Foreign Exchange:		
Foreign Travel	2.15	7.35
Commission	45.37	117.95
Others	9.84	84.09
CIF value of imports		
- Raw Materials	1,590.92	689.28
- Components and Spares	105.80	192.97
Total	1,754.08	1,091.64

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

Particulars	FCY		Value	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Forward Cover				
- Export(USD)	778,360	152,377	513	103
- Import(USD)	153,622	211,448	101	144

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

Particulars	FCY		Value	
	31.06.2017	31.06.2016	31.06.2017	31.06.2016
Trade Receivables				
USD	–	339,636	–	230
Trade Payables				
USD	1,653	251,469	1	165
EURO	–	32,251	–	23
CHF	2,520	26,429	2	18



Notes forming part of the financial statements

28.7 Disclosure on Specified Bank Notes (SBNs)

Disclosure requirement as per the Central Government notification no.224/2017 regarding 'Specified Bank Notes' dated March 30, 2017 is given under

Amount in ₹

Particulars	SBNs*	Other denomination Notes	Total
Closing cash balance as on November 8, 2016	564,500	339,902	904,402
(+) permitted receipts	5,500	1,377,075	1,382,575
(-) permitted payments	-	1,242,892	1,242,892
(-) Amounts deposited in banks	570,000	-	570,000
Closing cash balance as on December 30, 2016	-	474,085	474,085

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407 E, dated the 8th November, 2016

₹ lakhs

31.03.2017 31.03.2016

28.8 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 (1071.71) (582.22)

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 (₹) (1.95) (1.06)

28.9 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:

₹ lakhs

Particulars	31.03.2017	31.03.2016
Present value of the Obligation as on 1st April	983.09	936.27
Present value of obligation of subsidiary companies taken over	2.75	
Current Service Cost	5.38	38.36
Interest Cost	68.35	69.61
Actuarial Gains and Losses	78.11	26.53
Benefits Paid	(171.72)	(87.68)
Present value of the Obligation as on 31st March	965.96	983.09

The liability of the company as of 31st of March 2017 has been funded to the extent of ₹ 360.37 lakhs.



Notes forming part of the financial statements

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

Particulars	31.03.2017	31.03.2016
Fair value of the Plan Assets as on 1st April	490.43	480.96
Fair value of Plan assets of subsidiary companies taken over	4.08	-
Expected Rate of Return	30.00	40.64
Actuarial Gains and (Losses)	4.55	1.86
Contribution to meet payment towards transfer-out obligations	-	26.66
Contributions by the Employer	3.03	27.99
Benefits paid	(171.72)	(61.02)
	-	(26.66)
Fair value of the Plan Assets as on 31st March	360.37	490.43

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	31.03.2017	31.03.2016
Current Service Cost	5.38	38.36
Interest Cost	68.53	69.61
Expected Return on Plan Assets	(30.00)	(40.64)
Actuarial Gains and Losses	73.56	24.68
Amount recognised in the Statement of Profit and Loss	117.47	92.01

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	31.03.2017	31.03.2016
Discount Rate	7.34-8.00%	7.60%
Expected Rate of Return on Plan Assets	7.34-8.00%	9.30%
Attrition Rate	1.00%	1.00%
Rate of escalation in salary(per annum)	2.50-8.00%	3.50%

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	31.03.2017	31.03.2016
Present value of the Defined Benefit Obligation	966.03	983.09
Fair value of Plan Assets	360.37	490.43
Deficit in Plan Assets	606.88	492.66
Experience Adjustments arising on Plan Liabilities as an amount	(119.68)	(46.17)
Experience Adjustments arising on Plan Assets as an amount	4.66	1.86



Notes forming part of the financial statements

28.10 Segment Information:

A. Primary Segment - Business Segment

₹ lakhs

(ii) Particulars	Textile Products	
	31.03.2017	31.03.2016
a) Revenue	29316	34829
Total Income	29316	34829
b) Result		
Operating Profit (PBIT)	381	(396)
Unallocable Corporate expenses	-	-
Interest expense	1714	2143
Interest income	49	63
Profit before tax & Extradinary item	(1284)	(2476)
Provision for current tax	-	-
Provision for deferred tax	(264)	(299)
Tax adjustment for earlier years	-	-
Net Profit	(1020)	(2177)
c) Segment assets	19587	22989
Unallocable Corporate assets	-	-
Total assets	19587	22989
d) Segment liabilities	19587	22989
Unallocable Corporate Liabilities	-	-
Total liabilities	19587	22989
e) Cost incurred during the period to acquire segment fixed assets	80	57
f) Depreciation / Amortisation	789	995
g) Non cash expenses other than depreciation / amortisation	(16)	(8)

B. Secondary Segments - Geographical Segments:

Particulars	31.03.2017	31.03.2016
Segment Revenue		
- Within India	24636	27491
- Outside India	4680	7338
Total	29316	34829

Since the other business segments revenues/results/assets are less than 10% of the total revenues/results/assets of all segments, the information of these business segments are not reportable.

28.11 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) Others-Enterprises in which the Promoter has significant influence.

Elgi Electric and Industries Ltd
Super Sara Textiles Ltd
Sara Elgi Industries Ltd

Super Farm Products (P) Ltd
Sara Elgi Envirotech LLP



Notes forming part of the financial statements

(ii) Related Party Transactions

₹ lakhs

Nature of Transaction	Others		Key Managerial Personnel		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Purchase of goods	9.24	10.34	—	—	9.24	10.34
Sale of Goods	4.45	—	—	—	4.45	—
Sale of fixed assets	—	0.72	—	—	—	0.72
Managerial Remuneration	—	—	107.74	97.94	107.74	97.94
Service charges paid	0.41	0.75	—	—	0.41	0.75
Rent received	10.60	11.05	—	—	10.60	11.05
Other Expenses	1.20	—	—	—	1.20	—
Other Receipts	12.92	9.48	—	—	12.92	9.48
Interest expended	—	—	3.36	3.37	3.36	3.37
Amount outstanding at year end - Dr	15.58	7.29	—	—	15.58	7.29
Amount outstanding at year end - Cr	—	—	28.00	28.00	28.00	28.00

28.12 Previous year figures have been regrouped and reclassified, wherever necessary

28.13 During the year under review, the subsidiaries M/s. Sara Elgi Arteriors Ltd and M/s. Elgi Building Products Ltd had been merged with the Company, as approved by the members through Postal Ballot dated 8th June, 2017 and as per the orders of National Company Law Tribunal dated 4th September, 2017 and 19th September, 2017. The merger was effective from 1st April 2016. Hence, the current year figures (2016-17) are not comparable with the previous year figures (2015-16)

28.14 Pursuant to Accounting Standard (AS 28) – impairment of assets, the Company assessed its Properties, Plant and Equipments for impairment as at March 31, 2017 and concluded that there has been no significant impaired Property, Plant or equipment that needs to be recognised in the books of account.

28.15 Deferred tax asset includes a sum of ₹ 2,47,35,691/- (Asset) transferred from M/s Elgi Building Products Limited and ₹ 3,41,159/- (Liability) transferred from M/s Sara Elgi Arteriors Limited, on account of the scheme of amalgamation.

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, 23rd October, 2017

For and on behalf of the Board

Sumanth Ramamurthy

Executive Chairman

DIN : 00002773

A S Thirumoorthy

Managing Director

DIN : 03604474

Ramaa Krishnakumar

Company Secretary

C Shankar

Chief Financial Officer

SUPER



Super Spinning Mills Limited

PB 7113, Green Fields, 737-D, Puliakulam Road, Coimbatore - 641 045, INDIA

Tel : +91 422 - 2311711, Fax : +91 422 - 2311611

E-mail : investors@ssh.saraelgi.com

www.superspinning.com



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

EVS (Electronic Voting Sequence Number)	* Default PAN / Sequence No
171023003	

* 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 :

No. of shares held :

Name of the Member :

Name of the Proxy :

I hereby record my presence at the **55th Annual General Meeting** of the Company being held on **Friday**, the **1st December 2017** at **3.30 P.M** at Ardra Convention Centre, 'Kaanchan', No. 9, North Huzur Road, Coimbatore – 641 018.

as my / our Proxy to attend and vote (on a Poll) for me / us on my / our behalf at the 55th Annual General Meeting of the Company to be held on **Friday, the 1st December 2017 at 3.30 P.M** at Ardra 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 2017, 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	Appointment of Auditors and to fix their remuneration
	Special Business
4	Ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18
5	Re-appointment of Mr. Sumanth Ramamurthi (DIN 00002773), as an Executive Chairman of the Company and approval of his remuneration.
6	Re-appointment of Mr. A S Thirumoorthy (DIN: 03604474) as Managing Director of the Company and approval of his remuneration.
7	Appointment Mr. B Lakshmi Narayana (DIN 00504396) as an Independent Director of the Company for a period of 5 years.
8	Appointment Mr. A R Balasundharam (DIN 07802383) as an Independent Director of the Company for a period of 5 years.

Signed this day of 2017

Affix ₹ 1/-
Revenue
Stamp

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.