



**ANNUAL REPORT**  
**2018-19**

# Superhouse Group Factories - A Glimpse

## Tanneries



Tannery Unit 1

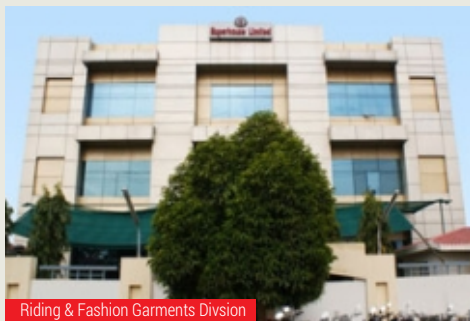


Tannery Unit 2



Tannery Unit 3

## Textile & Garments



Riding & Fashion Garments Division



Leather garments Division



Textile Workwear Division

## Footwear



Fashion Footwear Unit 1



Fashion Footwear Unit 2



Fashion Footwear Unit 3



Fashion Footwear Unit 4



Safety Footwear Division 1



Safety Footwear Division 2



Safety Footwear Division 3



Safety Footwear Division 4



## **CHAIRMAN'S MESSAGE**

Dear Fellow Shareholders,

It gives me great pleasure to share with you an update of the overall performance of your company. In spite of a challenging year for Indian Exporting Industries, your company performed well and delivered another year of consistent, competitive and profitable performance. The company has shown impressive growth in the margins. The Company received the Best Exporter Award for overall export performance during 2017-18 from the Council for Leather Exporters, Central Region, Chennai. In addition to the Export Award in the overall category, the company also received the Best Exporter Award in Leather Footwear and Harness and Saddlery (Non Leather) and 2nd prize for Industrial Leather Gloves. The company also received the State Export Award, Uttar Pradesh 2018-19 for high export performance among all categories and for Leather and Leather Products.

Your company achieved a turnover of Rs. 5675.23 million and export turnover of Rs. 4584.35 million during the year. The export turnover contributed 80.77% of the total turnover. The impressive share of exports is an indicator of the very good demand for the products of the company across the world.

In spite of the overall challenging condition of the International Market, the margins of the company increased during the year. The company earned a profit before tax of Rs. 29.11 crores during the year under review as compared to Rs. 19.54 crores earned during the previous year.

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

As a responsible Corporate Citizen, your company serves society in the domains of Education, Healthcare and Environment. During the year, the Company contributed 3.89% of the net profit towards Corporate Social Responsibility (CSR) activities.

I would like to thank all our customers, suppliers and colleagues in India and abroad for their wholehearted support and valued contribution during 2018-19. Further, we have much to look forward to as we strive to make our company even stronger and continue to focus on delivering to our customers.

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

With best wishes

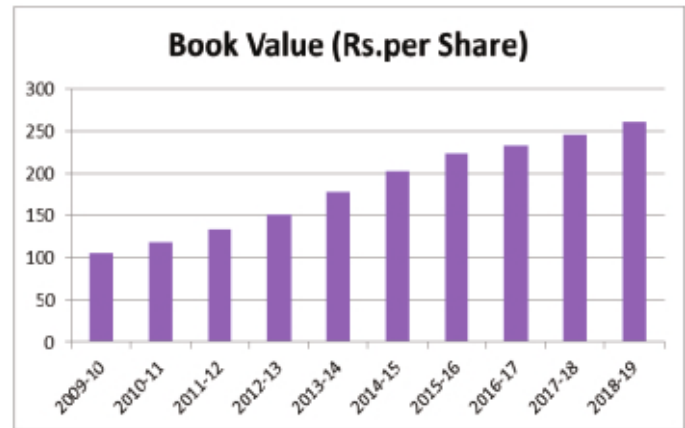
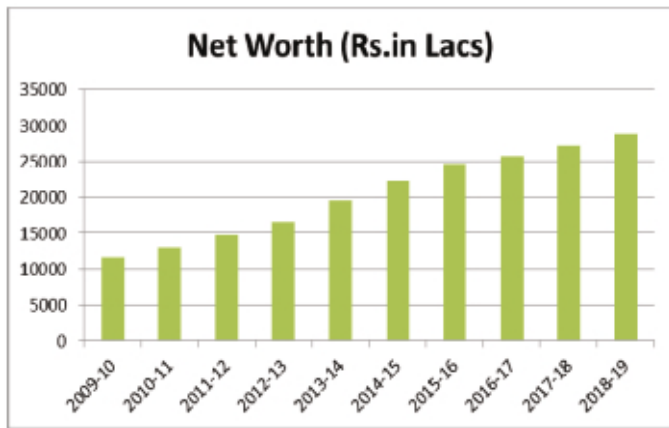
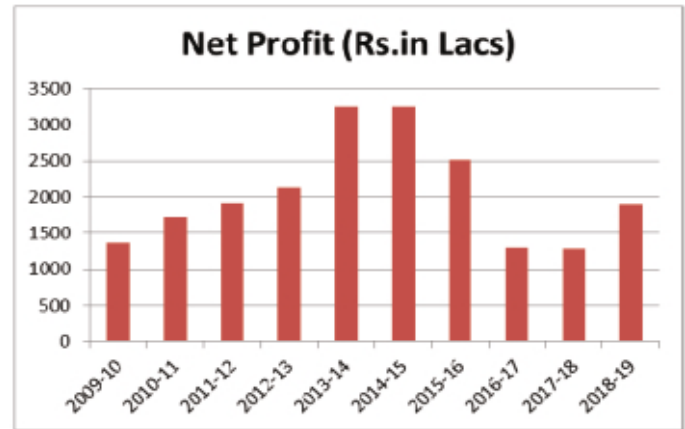
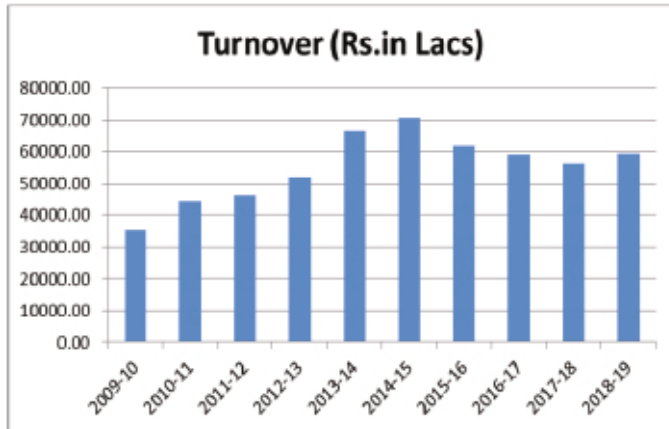
**Mukhtarul Amin**

Chairman and Managing Director





## FINANCIAL HIGHLIGHTS



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## AWARDS AND RECOGNITION

2018-19	State Export Award for Excellent Performance among all categories, presented by Uttar Pradesh Government.
2018-19	State Export Award for Excellent Performance in Leather and Leather Products, presented by Uttar Pradesh Government.
2017-18	Best overall export performance award from Council for Leather Exports, Central Region, Chennai.
2017-18	Best Export Performance Award for Leather Footwear from Council for Leather Exports, Central Region, Chennai.
2017-18	Best Export Performance Award for Harness and Saddlery (Non Leather) from Council for Leather Exports, Central Region, Chennai.
2017-18	Export Award for second place for Industrial Leather Gloves from Council for Leather Exports, Central Region, Chennai.
2016-17	Best Export Performance Award for Non-Leather Harness/Saddles/Bridles
2016-17	Brand Creation Award for its Brand SILVER STREET
2015-16	Best Export Performance Award for Non-Leather Harness/Saddles/Bridles
2014-15	Niryat Shree Award 2014-15, Presented by Hon'ble President of India Shree Pranab Mukharji
2014-15	Best Export Performance Award for Non Leather Harness/Saddles/Bridles
2013-14	Overall Export Performance 2013-14 Presented by Council for Leather Exports.
2013-14	Best Export Performance 2013-14 for Non Leather Harness & Saddlery Category Presented by Council for Leather Exports.
2013-14	Best Export Performance 2013-14 for Leather Footwear Category above 200.00 Crores Presented by Council for Leather Exports.
2012-13	Overall Export Performance 2012-13 Presented by Council for Leather Exports.
2012-13	Best Export Performance 2012-13 for Non Leather Harness & Saddlery Presented by Council for Leather Exports.
2011-12	Best Overall Export Performance 2011-12 Gold Trophy presented by Council for Leather Exports.
2011-12	Best Export Performance 2011-12 for Non Leather Harness & Saddlery presented by Council for Leather Exports.
2011-12	Excellent Export Performance 2011-12 for Leather Footwear Silver Trophy Presented by Council for Leather Exports
2010-11	Best Overall Export Performance 2010-11 Gold Trophy presented by Council for Leather Exports.
2010-11	Best Export Performance 2010-11 for Non Leather Harness & Saddlery presented by Council for Leather Exports.
2010-11	Excellent Export Performance 2010-11 for Leather Footwear Silver Trophy Presented by Council for Leather Exports
2009-10	Niryat Shree Silver Trophy 2009-10 presented by Federation of Indian Export Organisations
2009-10	Best Overall Export Performance 2009-10 Gold Trophy presented by Council for Leather Exports.
2009-10	Best Export Performance 2009-10 for Leather Garments presented by Council for Leather Exports.
2009-10	Best Export Performance 2009-10 for Non Leather Harness & Saddlery presented by Council for Leather Exports.
2009-10	Commendable Export Performance 2009-10 for Leather Goods presented by Council for Leather Exports.
2008-09	Commendable Export Performance 2008-09 Silver Trophy Presented by Council for Leather Exports
2008-09	Best Export Performance 2008-09 Non-Leather Saddlery & Harness. Presented by Council for Leather Exports.

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



## **BOARD OF DIRECTORS**

### **Managing Directors**

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

### **Non-Independent Directors**

Mrs. Shahina Mukhtar  
Mr. Yusuf Amin

### **Wholetime Directors**

Mr. Vinay Sanan	<i>Executive Director</i>
Mr. Anil Kumar Agarwal	<i>Chief Financial Officer</i>

### **Independent Directors**

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

### **COMPANY SECRETARY**

Mr. R. K. AGRAWAL

### **BANKERS**

Punjab National Bank  
State Bank of India  
Bank of Baroda

### **AUDITORS**

Rajeev Prem & Associates  
Chartered Accountants, Kanpur

### **REGISTERED OFFICE**

150 Feet Road,  
Jajmau, Kanpur-208010  
Email: [share@superhouse.in](mailto:share@superhouse.in)  
Website: [www.superhouse.in](http://www.superhouse.in)  
Tel: 91-0512-2460185, 9935142048



## DIRECTORS' REPORT

To  
The Shareholders,  
Superhouse Limited,  
Kanpur.

The Board of Directors are pleased to present the Company's Thirty-Ninth Annual Report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2019.

### Financial Results

The Company's financial performance for the year ended March 31, 2019 is summarised below:-

PARTICULARS	STANDALONE		CONSOLIDATED	
	2018-19 ₹ Lakhs	2017-18 ₹ Lakhs	2018-19 ₹ Lakhs	2017-18 ₹ Lakhs
Revenue from Operations	59410.96	56369.90	69440.01	64971.92
Other Income	620.01	1251.67	745.75	1571.33
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	6081.40	5223.62	6643.62	6054.04
Less: Depreciation/ Amortisation/ Impairment	1410.57	1469.57	1538.06	1556.24
Profit /loss before Finance Costs, Exceptional items and Tax Expense	4670.83	3754.05	5105.56	4497.80
Less: Finance Costs	1760.32	1800.11	1935.55	2011.88
<b>Profit /loss before Exceptional items and Tax Expense</b>	<b>2910.51</b>	<b>1953.94</b>	<b>3170.01</b>	<b>2485.92</b>
Add/(less): Exceptional items	-	-	-	-
<b>Profit /loss before Tax Expense</b>	<b>2910.51</b>	<b>1953.94</b>	<b>3170.01</b>	<b>2485.92</b>
Less: Tax Expense (Current & Deferred)	996.67	664.49	1079.75	722.77
Profit /loss for the year (1)	1913.84	1289.45	2090.26	1763.15
Total Comprehensive Income/loss (2)	-3.48	8.89	-3.48	8.89
<b>Total (1+2)</b>	<b>1910.36</b>	<b>1298.34</b>	<b>2086.78</b>	<b>1772.04</b>
Balance of profit /loss for earlier years	13794.04	12628.39	16366.67	14792.54
Less: Transfer to Reserves	200.00	-	200.00	-
Less: Dividend paid on Equity Shares	110.25	110.25	110.25	158.23
Less: Dividend Distribution Tax	22.66	22.44	22.66	22.44
Add: Share of profit (after tax) of Associates			285.70	190.35
Adjustement/related to investment properties			7.81	-207.59
Balance carried forward	15371.49	13794.04	18414.05	16366.67

### Dividend and Reserves:-

Your Directors are pleased to recommend a final dividend of Rs. 1/- per equity share (previous year Rs. 1.00 per equity share) on the equity share capital of the company for the financial year ended 31<sup>st</sup> March, 2019. The cash outflow on account of dividend on equity capital will be Rs. 132.91 lacs (previous year Rs. 132.69 lacs) including dividend distribution tax of Rs. 22.66 lacs (previous year Rs. 22.44 lacs). During the year under review, your company transferred a sum of Rs. 200 lacs to General Reserve (Previous year Rs. Nil).

### Financial Performance:-

The company has achieved the sales and other Income of Rs 600.30 crores against Rs. 576.21 crores reported last year. The Profit before tax was Rs. 29.11 crores and profit after tax was Rs. 19.14 crores during the year under review as compared to Rs. 19.54 crores and Rs. 12.89 cores, respectively, during previous year. Earnings per share increased from Rs. 11.70 per share during the previous year to Rs. 17.36 per share during the year under review. Further, the company achieved the consolidated sales and other Income of Rs. 701.86 crores against Rs. 665.43 crores reported last year. The Profit before tax was Rs. 31.70 crores and profit after tax was Rs. 20.90 crores during the year under review as compared to Rs. 24.86 crores and Rs. 17.63 cores, respectively, during previous year. The consolidated earning per share increased from Rs. 15.99 per share during previous year to Rs. 18.96 per share during the year under review.

### Export Awards:-

The Company received best exporter award for overall export performance during 2017-18 from Council for Leather Exporters, Central Region, Chennai. In addition to Export Award in overall category, the company also received the Best Exporter Award in Leather Footwear and Harness and Saddlery (Non Leather) and 2<sup>nd</sup> prize for Industrial Leather Gloves. Further the company also received State Export Award, Uttar Pradesh 2018-19 for high export performance among all categories and for Leather and Leather Products.

### Credit Rating :-

During the year under review, the Company has sustained the Credit Rating "ICRA BBB+" assigned by ICRA, to its Long Term Bank facilities. Further, the Rating of "ICRA2" assigned to the Short Term Bank facilities of your Company has also been reaffirmed.

### Material changes affecting the company:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report. There has been no change in the nature of business of the Company.

### Subsidiary Companies, Joint Venture and Associate Companies:-

The Company is having seven subsidiary companies namely M/s Superhouse (UK) Limited, M/s Superhouse (USA) International Inc, M/s Superhouse Middle East FZC, M/s Briggs Industrial Footwear Limited, UK, M/s Linea De



Seguridad S.L.U, Spain, M/s Superhouse Gmbh, Germany and LA Compagnie Francaise De Protection SARL and five Associates namely M/s Unnao Tanneries Pollution Control Company, M/s Steven Construction Limited, M/s Amin International Limited, M/s Knowledgehouse Limited and M/s Creemos International Limited. There is no joint venture of the company. During the year, no company becomes or ceased to be company's subsidiary, joint venture or Associates Company.

The Company will make available the annual accounts of subsidiaries and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of subsidiaries will also be kept for inspection by any member of the Company at the registered office of the Company and that of the respective subsidiaries. The Financial Statements, including Consolidated Financial Statement and separate Financial Statement in respect of each of its subsidiaries have also been placed on the website of the company. A statement containing salient features of the Financial Statement of subsidiaries/associates companies is forming part of the Annual Financial Statement.

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

### Consolidated Financial Statement:-

In accordance with the provisions of the Companies Act, 2013 ("the Act") and Ind AS110-Consolidated Financial Statements read with Ind AS28-investments in Associates, the audited consolidated financial statement are provided in the Annual Report.

### Secretarial Standards :-

The Directors state that Secretarial Standards, i.e. SS-1, SS-2, SS-3 and SS-4 relating to 'Meetings of the Board of Directors', 'General Meetings', 'Dividend' and Report of Board of Directors respectively, have been duly followed by the Company.

### Directors' Responsibility Statement:-

Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Management Discussion and Analysis:-

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is presented in a separate section, forming part of the Annual Report.

### Corporate Governance:-

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

The requisite certificate from the Auditors of the Company confirming

compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

### Internal Financial Controls:-

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

### Corporate Social Responsibility:-

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

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

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

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

In Healthcare, the endeavors of the company are to eradicate hunger, poverty and malnutrition and promoting healthcare including preventive health care.

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

During the year, the Company spent Rs. 107.40 lacs (around 3.89% of the average net profit of last three financial years) including Rs. 51.65 lacs unspent amount of previous year, on CSR activities. The Annual Report on CSR activities is annexed herewith, marked as Annexure-I.

### Directors and Key Managerial Personnel:-

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Zafarul Amin and Mr. Mohammad Shadab, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible they offered themselves for re-appointment. No key managerial personnel was appointed or resigned during the year, except Mrs Shahina Mukhtar resigned from the office of Wholetime Director of the Company with effect from 15<sup>th</sup> June, 2019, however she will continue as non-executive director of the company. The Terms of Appointment of Mr Mukhtarul Amin, Chairman and Managing Director (DIN: 00012108), Mr Zafarul Amin, Joint Managing Director (DIN: 00015533), Mr Mohd Shadab, Deputy Managing Director (DIN: 00098221), Mr Vinay Sanan, Executive Director (DIN: 00014536) and Mr Anil Kumar Agarwal, Director Finance (DIN: 00014645) will expire during current year. Your Board, on the recommendation of the Nomination and Remuneration Committee, recommends the re-appointment of all of them in accordance with the terms and conditions mentioned in the notice of forthcoming Annual General Meeting of the company read with explanatory statement annexed to the notice.

Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) were appointed as Independent Directors of the Company to hold office for 5(five) consecutive years up to 22<sup>nd</sup> September, 2019. Pursuant to regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Nemi Chand Jain (Date of Birth 16<sup>th</sup> May, 1939) ceased from the office of the Independent and non-executive director with effect from 31<sup>st</sup> March, 2019, as





he has attained the age of 75 years. Mr. Nemi Chand Jain was further appointed as an additional director (Non-Executive and Independent) by the board of directors of the company with effect from 1<sup>st</sup> April, 2019, subject to the approval of shareholders by special resolution at the ensuing annual general meeting.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of all of them, including Mr Nemi Chand Jain who has attained the age of 75 years, would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Directors. Your Board recommends to re-appoint Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) as an Independent Directors of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Listing Regulations.

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

The Company has devised the following Policies/Criteria viz: a) Policy for selection of Directors and determining Directors' independence; b) Remuneration Policy for Directors, Key Managerial Personnel and other employees and c) Criteria of making payments to Non-Executive Directors. The aforesaid policies/criteria are put up on the Company's website and can be accessed at <http://superhouse.in/pdf/Policy-for-Selection-of-Directors.pdf>, <http://superhouse.in/pdf/Remuneration-Policy-for-Directors.pdf> and <http://superhouse.in/pdf/Criteria-of-making-payments-to-Non-Executive-Directors.pdf>.

The Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the NR Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company. The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations. The Remuneration Policy for Directors, Key Managerial Personnel and other employees sets out the guiding principles for the NR Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. Criteria of making payment to Non-Executive Directors set out the guiding principles for the payment to Non-Executive Directors.

#### **Meetings of the Board:-**

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

#### **Performance Evaluation:-**

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

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

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

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

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Your Directors draw attention of the members to Note 47 to the financial statement which sets out related party disclosures. Further notice of annual general meeting read with explanatory statement provide the details of contract or arrangement entered/to be entered into with related party along with the justification for entering into such contract or arrangement.

#### **Investor Education and Protection Fund (IEPF)**

In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) as amended from time to time, the Company has deposited a sum of Rs. 18,45,666.00/- into the specified bank account of the IEPF, Government of India, towards unclaimed / unpaid dividend amount for the financial year ended 31<sup>st</sup> March, 2011.

As per the said Rules, the corresponding equity shares in respect of which Dividend remains unclaimed / unpaid for seven consecutive years or more, are required to be transferred to the Demat Account of the IEPF Authority. During the year under review, the Company has transferred 100947 underlying Equity Shares to the Demat Account of the IEPF Authority, in compliance with the aforesaid Rules.

#### **SIGNIFICANT AND MATERIAL LITIGATIONS / ORDERS**

During the year under review, there were no significant material orders passed by the Regulators / Courts and no litigation was outstanding as on March 31, 2019, which would impact the going concern status and future operations of your Company. The details of litigation on tax matters are disclosed in the Auditor's Report and Financial Statements which forms part of this Annual Report.

#### **Risk Management:-**

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

#### **Vigil Mechanism:-**

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

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

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

#### **Annual Return: -**

Extract of Annual Return of the Company is annexed herewith as Annexure II to this Report. Further, as required under section 134(3)(c) of the Companies Act, 2013, the Annual Return is put up on the Company's website and can be accessed at <http://superhouse.in/pdf/annualreturn.pdf>.



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

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

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

**Conservation of Energy:-**

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

**Technology Absorption:-**

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

The company has incurred expenditure of Rs. 45.66 lacs which are 0.07% of total turnover for the Research and Development Activities during the year as compared to Rs. 42.02 lacs which were 0.07% of total turnover incurred during the previous year.

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

**Foreign Exchange Earnings & Outgo:-**

Your company continues to enjoy the status of a Government of India Recognized Trading House. Continuous efforts are being made to identify the new markets. The company earned Foreign Exchange of Rs. 45398.44 lacs during the year in comparison to previous year of Rs. 43535.43 lacs. During the year, the total Foreign Exchange outgo was Rs. 7903.59 lacs as compared to Rs. 6147.01 lacs during the preceding financial year.

**Statutory Auditors:-**

M/s. Rajeev Prem and Associates, Chartered Accountants were appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on September, 29, 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

**Secretarial Auditor:-**

The Board has appointed Mr. Gautam Kumar Banthia, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith, marked as Annexure III to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**NON-APPLICABILITY OF MAINTENANCE OF COST RECORDS**

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and Rules framed thereunder with respect to the Company's nature of business.

**Audit Committee:-**

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

**General:-**

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme. There is no change in the Capital Structure of the Company during the Year.
4. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
5. Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries, except Mr. Mukhtarul Amin, Chairman and Managing Director of the company received remuneration/commission of Rs. 6.88 lacs from M/s Briggs Industrial Footwear Limited, U. K., subsidiary of the company during the year (previous year 10.22 lacs).
6. The company has no information about any Corporate Insolvency Resolution Process, initiated against the Company, under the Insolvency and Bankruptcy Code, 2016.
7. No fraud was reported by the auditors under sub-section (12) of Section 143.

**Prevention of Sexual Harassment at the Workplace**

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, there was no complaint filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Acknowledgement:-**

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

For and on behalf of the Board

Place : KANPUR  
Date : 06 July, 2019

**MUKHTARULAMIN**  
Chairman



## MANAGEMENT DISCUSSION AND ANALYSIS

### Macroeconomic Overview.

India became the sixth largest economy by sustaining growth rates higher than China, thereby earning the epaulette of being the fastest growing major economy in the world. Importantly, this pace of growth was sustained while re-establishing macro-economic stability. To achieve the objective of becoming a USD 5 trillion economy by 2024-25, India needs to sustain a real GDP growth rate of 8%. International experience, especially from high-growth East Asian economies, suggests that such growth can only be sustained by a "virtuous cycle" of savings, investment and exports catalysed and supported by a favourable demographic phase. Investment, especially private investment, is the "key driver" that drives demand, creates capacity, increases labour productivity, introduces new technology, allows creative destruction, and generates jobs. Exports must form an integral part of the growth model because higher savings preclude domestic consumption as the driver of final demand.

On the export front, the overall export of the country increased by 8.75% during 2018-19 in USD terms. The export of Leather Industries was marginally declined 0.87% during the year, in USD terms. The Non-Leather Footwear shown the major growth 32.24% while Finished Leather shown major reduction of 17.44% during the year 2018-19 in USD terms. Footwear holds the major share of 51.09 % in total export of leather and leather products.

The major markets for Indian Leather & Leather Products are U S A with the share of 15.70 %, GERMANY 11.58%, U K 10.50%, ITALY 6.48 %, FRANCE 5.68, SPAIN 4.54%, UAE 3.97%, NETHERLANDS 3.42%, HONG KONG 3.34%, CHINA 2.60%, POLAND 2.02 %, BELGIUM 2%, SOMALIA 1.80%, VIETNAM 1.73%, AUSTRALIA 1.68%, PORTUGAL 1.21 % , DENMARK 1.18%, KOREA REP. 1.16% and JAPAN 1.15%. These 19 countries together accounts for nearly 81.74% of India's total leather & leather products export.

Export of leather & leather products to major markets like MEXICO, SOMALIA, NIGERIA, CAMBODIA, KENYA, U.A.E., S. AFRICA and INDONESIA shown positive growth of more than 10% and SINGAPORE, BANGLADESH, TURKEY, NORWAY, SLOVAK REP, DJIBOUTI, SRI LANKA, HONG KONG, POLAND, CANADA, CHINA, CZECH REPUBLIC and SAUDI ARABIA shown negative growth of more than 10 % during 2018-19.

### Industry Structure and Development:-

The Leather Industry holds a prominent place in the Indian economy. This sector is known for its consistency in high export earnings. With total annual Export of over US\$ 330.07 billion of the country, the export of leather and leather products increased manifold over the past decades and touched US\$ 5.69 billion during 2018-19.

The Leather industry is bestowed with an affluence of raw materials as India is endowed with 21% of world cattle & buffalo and 11% of world goat & sheep population. Added to this are the strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and the dedicated support of the allied industries. The leather industry is an employment intensive sector, providing jobs to about 3.00 million people, mostly from the weaker sections of the society. Women's employment is predominant in the leather products sector with about 30% share.

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

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

As per DGCI&S export data, the export of leather and leather products for the year 2018-19 stands at US\$ 5690.99 million against the export of US\$ 5740.98 million during the previous year.

### Opportunities and Threats :-

The Government of India had identified the Leather Sector as a Focus Sector in the Indian Foreign Trade Policy in view of its immense potential for export growth prospects and employment generation.

Accordingly, the Government is also implementing various Special Focus Initiatives under the Foreign Trade Policy for the growth of leather sector. With the implementation of various industrial developmental programmes as well as export promotional activities; and keeping in view the past performance, and

industry's inherent strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and dedicated support of the allied industries, the Indian leather industry aims to augment the production, thereby enhance export, and resultantly create additional employment opportunities.

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

### Segment-wise Performance :-

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

#### Segments Turnover

a- Leather and Leather Products	Rs. 514.25 Crores
	(previous year Rs. 473.94 crores )
b- Textile Garments	Rs. 86.05 Crores
	(previous year Rs. 102.27 Crores )

#### Domestic Sales :

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

#### Outlook :-

The Company products are well accepted in overseas and indigenous market, now the company is focusing to expand geographic presence to new countries and deeper penetration in existing market through aggressive marketing and distribution. Sports and Kids categories are one of the fastest growing among all categories therefore attracting traction from all footwear brands. The Company is making efforts to penetrate into fastest growing area of Sports and Kids Shoes market. The company is using E-commerce platform to expand its marketing activities in indigenous market.

#### Risk and Concerns :-

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

#### Cautionary Statement :-

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

#### Internal Control System and their Adequacy :-

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

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

The financial statements have been prepared in compliance with the requirements of the companies Act, 2013 and Generally Accepted Accounting Principles in India. The company has achieved the sales and other income of Rs 600.30 crores during the year against Rs. 576.21 crores reported last year. The profit before tax was Rs 29.11 crores and profit after tax was Rs 19.14 crores during the year as compared to Rs. 12.89 crores reported during the



previous year. The net block of the company as at 31.03.2019 was Rs. 190.92 crores against Rs. 191.82 crores as at 31.03.2018. The net current assets as at 31.03.2019 were Rs. 88.44 crores as against Rs.74.82 crores as at 31.03.2018. Further, the company achieved a consolidated the sales and other Income of Rs. 701.86 crores against Rs. 665.43 crores reported last year. The consolidated profit before tax was Rs. 31.70 crores and profit after tax was Rs. 20.90 crores during the year under review as compared to Rs. 24.86 crores and Rs.17.63 crores, respectively, during previous year. Further, consolidated net block as at 31.03.2019 was Rs. 213.95 crores against Rs. 215.73 crores as at 31.03.2018. The consolidated net current assets as at 31.03.2019 were Rs.120.79 crores as against Rs.102.66 crores as at 31.03.2018. The detailed information on financial performance is given in the attached standalone and consolidated annual financial statements.

The summarized financial performance during the year is as under :-

**Key Financial Summary:-**

The key financial summary of the Company is as under:-

**Rs.in lacs)**

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Sales	59410.96	56369.90	69440.01	64971.92
Other Income	620.01	1251.67	745.75	1571.33
PBT	2910.51	1953.94	3170.01	2485.92
PAT	1913.84	1289.45	2090.26	1763.15
Share Capital	1141.98	1141.98	1141.98	1141.98
Other Equity	27694.21	25927.85	31169.01	28932.86
Net Worth	28836.19	27069.83	32310.99	30074.84
Earnings per share	17.36	11.70	18.96	15.99

**Key Financial Ratios:-**

The key financial ratios of the Company along with explanation for significant changes are as under:-

S.No.	Particulars	2018-19	2017-18
1	Debtor Turnover Ratio	4.44	4.03
2	Inventory Turnover Ratio	3.75	3.49
3	Interest Coverage Ratio	4.10	3.34
4	Current Ratio	1.31	1.25
5	Debt Equity Ratio	0.14	0.17
6	Operating Profit Margin	7.17%	5.93%
7	Net Profit Margin	4.90%	3.47%
8	Return on Net Worth	14.93%	12.63%

The significant changes in Net Profit Margin % is due to better sales realisation and reduction in employees and finance cost.

**Industrial Relations and Human Resources Development:-**

The relations with the employees continued to be cordial during the year. Directors record their appreciation for the sincere and hard work put in by all categories of employees during the year. There were 1560 permanent employees with the company as on 31st March, 2019.

**ANNEXURE I TO DIRECTORS' REPORT**

**Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19**

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs.							Refer Corporate Social Responsibility Section of the Board Report	
2.	The Composition of the CSR Committee.							Refer Corporate Governance Report	
3.	Average net profit of the company for last three financial years							27,60,67,769	
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above)							55,21,355	
5.	Details of CSR spent during the financial year.								
	(a) Total amount spent for the financial year (Total of Rs. 1,07,40,226.00 includes Rs. 51,65,156.00 relating to previous year)							1,07,40,226	
	(b) Amount unspent, if any							NIL	
	(c) Manner in which the amount spent during the financial year is detailed below:-								
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Local area or other	Specify the State and district where projects		Direct expenditure on projects or programs	Overheads		
1.	Chowdhary Ehsan Kareem Hospital	Hospital	Jajmau Road, Jajmau, Kanpur	Kanpur-208010 (U.P)	128,055	128,055	-	128,055	Direct
2.	Jyoti Bal Vikas Sansthan	Education	117/M/112"A" Kakadev, Kanpur	Kanpur-208019 (U.P)	100,000	100,000	-	100,000	Direct
3.	Food for All	Food for Poor Children	3 <sup>rd</sup> Floor, 150 VIP Road, Purani Chungi, Jajmau, Kanpur	Kanpur-208010 (U.P)	182,000	182,000	-	182,000	Direct
4.	Jamea Hidayat Trust	Education	Hidayat Beg, Char Darwaza	Jaipur-302002	1,100,000	1,100,000	-	1,100,000	Direct
5.	Aminsons Welfare Society	Education	150 Feet Road, Jajmau	Kanpur-208010 (U.P)	8,805,171	88,05,171	-	88,05,171	Direct
6.	Amin Welfare Trust	Education & Health	3 <sup>rd</sup> Floor, 150 VIP Road Purani Chungi, Jajmau	Kanpur (U.P)	400,000	400,000	-	400,000	Direct
7.	K. Dayalan	Education	Adyar	Chennai-600020	25,000	25,000	-	25,000	Direct

Sd-  
Anil Kumar Agarwal  
Director Finance/CFO

Sd-  
Mukhtarul Amin  
Chairman, CSR Committee



**ANNEXURE II TO DIRECTORS' REPORT**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2019**

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

<b>I.</b>	<b>REGISTRATION AND OTHER DETAILS:</b>	
i)	CIN	L24231UP1980PLC004910
ii)	Registration Date	14 <sup>th</sup> January, 1980
iii)	Name of the Company	SUPERHOUSE LIMITED
iv)	Category/Sub-Category of the Company	Public Limited/Limited by shares
v)	Address of the Registered office and contact details	150 Feet Road, Jajmau, Kanpur-208010 Tel: 9935142048 Fax: 0515-2829325
vi)	Whether listed Company Yes/No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services (P) Limited D-153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel: (011) 40450193-197, 26812682-83
<b>II.</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10% or more of the total turnover of the company.	As per Attachment 'A'
<b>III</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Attachment 'B'
<b>IV</b>	<b>SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i)	Category wise Shareholding	As per Attachment 'C'
ii)	Shareholding of Promoters	As per Attachment 'D'
iii)	Change in Promoter's Shareholding	There is No change in shareholding of promoters
iv)	Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment 'E'
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment 'F'
<b>V</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment 'G'
<b>VI</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A	Remuneration to Managing Director, Whole-time Directors and/or Manager:	As per Attachment 'H'
B.	Remuneration to other directors	As per Attachment 'I'
C	Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment 'J'
<b>VII</b>	<b>PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:</b>	NIL

**ATTACHMENT 'A'**

**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

SL. NO.	Name and Description of main products/services	NIC Code of the Product/Service	% to Total Turnover of the Company
1	Leather Footwear	6402	53.35
2	Finished Leather	4107	24.79
3	Leather Shoe Upper	6406	2.23
4	Other Leather Products	4202	4.87
5	Textile Products	6105	13.89
6	Others	8419	0.87



**ATTACHMENT 'B'**  
**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%age of Shares held	Applicable Section
1	Superhouse (U.K.) Limited Himalaya House,430, Thurmaston Boulavard, Thurmaston, Leicester, LE4, 9LE	3520781	Subsidiary	100%	2(87)(ii)
2	Superhouse (USA) International Inc. PO Box 114, Breinigsville,PA18031 USA	3688159	Subsidiary	100%	2(87)(ii)
3	Superhouse Middle East FZC PO Box No. 20376, Warehouse No. A-1,16 Gate No.3, Ajman Free zone, Ajman UAE	265	Subsidiary	100%	2(87)(ii)
4	Briggs Industrial Footwear Ltd, Himalaya House,430, Thurmaston Boulavard, Thurmaston, Leicester, LE4, 9LE	00391587	Subsidiary	100%	2(87)(ii)
5	Linea De Seguridad SLU Spain C/ Raposal,87, Arnedo (La Rioja) Poligono E1 Raposal Spain.	B26185041	Subsidiary	100%	2(87)(ii)
6	Superhuose GmbH Am Buchenbaum 40-42, 47051, Duisburg	HRB68261	Subsidiary	100%	2(87)(ii)
7	LA Compagine Francaise D Protectio SARL Headquarters: Zone Industrielle de Sumène, 07270 Lamastre	4649Z	Subsidiary	100%	2(87)(ii)
8	Steven Construction Limited 219/ 3 & 4 'L' Block, Naveen Nagar, Kakadeo, Kanpur-208025	U51109UP1985PLC007002	Associate	46.67%	2(6)
9	Unnao Tanneries Pollution Control Company 150 Feet Road, Jajmau, Kanpur-208010	U90002UP1991NPL013823	Associate	34.05%	2(6)
10	Knowledgehouse Limited 150 Feet Road, Jajmau, Kanpur-208010	U80904UP2009PLC038784	Associate	31.85%	2(6)
11	Amin International Limited 150 Feet Road, Jajmau, Kanpur-208010	U15494UP1995PLC017879	Associate	31.13%	2(6)
12	Ceemos International Limited 219/ 3 & 4 'L' Block, Naveen Nagar, Kakadeo, Kanpur-208025	U29219UP2004PLC029284	Associate	48.63%	2(6)

**ATTACHMENT 'C'**

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

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year at 01.04.2018				No. of shares held at the end of the year at 31.03.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(1) Indian</b>									
a) Individual/HUF	2369508	0	2369508	21.49	2369508	0	2369508	21.49	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3681366	0	3681366	33.39	3681366	0	3681366	33.39	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1) :-</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs-Individual	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FII	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total shareholding of promoters <b>A=(A)(1)+(A)(2)</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>



Category of Shareholders	No. of Shares held at the beginning of the year at 01.04.2018				No. of shares held at the end of the year at 31.03.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FII	54012	1100	55112	0.50	1200	1100	2300	0.02	-0.48
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Other (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub Total (B) (1)</b>	<b>54012</b>	<b>1100</b>	<b>55112</b>	<b>0.50</b>	<b>1200</b>	<b>1100</b>	<b>2300</b>	<b>0.02</b>	<b>-0.48</b>
2. Non-Institutions									
a) Bodies Corp.	222755	6988	229743	2.08	126797	3654	130451	1.18	-0.91
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	1958872	1298865	3257737	29.55	2123725	1103889	3227614	29.28	-0.27
ii) Individual shareholders holding nominal share capital in excess upto Rs. 1 lakhs	341063	0	341063	3.09	445322	0	445322	4.04	0.95
c) Others(Specify)	1089066	1405	1090471	9.89	1168100	339	1168439	10.60	0.71
<b>Sub total (B) (2)</b>	<b>3611756</b>	<b>1307258</b>	<b>4919014</b>	<b>44.61</b>	<b>3863944</b>	<b>1107882</b>	<b>4971826</b>	<b>45.09</b>	<b>0.48</b>
Total Public Shareholding (B)=(B) (1)+(B) (2)	3665768	1308358	4974126	45.12	3865144	1108982	4974126	45.12	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0		0
<b>Grand Total (A+B+C)</b>	<b>9716642</b>	<b>1308358</b>	<b>11025000</b>	<b>100</b>	<b>9916018</b>	<b>1108982</b>	<b>11025000</b>	<b>100</b>	<b>0</b>

**ATTACHMENT 'D'**

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

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year at 01.04.2018			Shareholding at the end of the year 31.03.2019			% of change in Share holding during the year.
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Mr. Mukhtarul Amin	1324487	12.01	0	1324487	12.01	0	0
2	Mrs. Shahina Mukhtar	505560	4.58	0	505560	4.58	0	0
3	Mr. Zafarul Amin	181988	1.65	0	181988	1.65	0	0
4	Mrs. Nausheen Shadab	169441	1.54	0	169441	1.54	0	0
5	Mrs. Shada Fatima	41282	0.37	0	41282	0.37	0	0
6	Mr. Mohd. Shadab	14400	0.13	0	14400	0.13	0	0
7	Mr. Yusuf Amin	132350	1.20	0	132350	1.20	0	0
8	M/s Amin International Ltd	465054	4.22	0	465054	4.22	0	0
9	M/s Superhouse Accessories Ltd	550000	4.99	0	550000	4.99	0	0
10	M/s Modriba Hygiene Solutions Ltd	550000	4.99	0	550000	4.99	0	0
11	M/s Steven Construction Ltd	1315119	11.93	0	1315119	11.93	0	0
12	M/s Rojus Enterprises Ltd	275300	2.50	0	275300	2.50	0	0
13	M/s Chowdhary Overseas Ltd	525893	4.77	0	525893	4.77	0	0
	<b>Total</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>	<b>0</b>



**ATTACHMENT 'E'**

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

iii) Detail of Top 10 Shareholders as on 31-03-19 transacted during the period of 01-04-18 to 31-03-19 (Other than Promoters)

S. No	Folio No/ Client ID No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
			No of Shares at the Beginning (01-04-17) /end of the Year (31-03-18)	% of total shares of the Company				No of Shares at the Beginning (01/04/18)/ end of the Year (31/03/19)	% of total shares of the Company
1	120452000082370	Priyal Chetan Kothari	105000	0.95	0	0	0	105000	0.95
					13-04-18	34739	Purchase	139739	1.27
					04-05-18	1334	Purchase	141073	1.28
					24-08-18	-15000	Sale	126073	1.14
					12-09-18	-75000	Sale	51073	0.46
					19-10-18	-51000	Sale	73	0
					16-11-18	83927	Purchase	84000	0.76
					07-12-18	51000	Purchase	135000	1.22
					25-01-19	15000	Purchase	150000	1.36
					01-02-19	-9586	Sale	140414	1.27
					15-02-19	-50914	Sale	89500	0.81
								<b>Balance</b>	<b>89500</b>
									<b>0.81</b>
2	IN30009510001550	Dr. Sanjeev Arora	84900	0.77			-	<b>84900</b>	<b>0.77</b>
					06-04-18	-14000	Sale	70900	0.64
								<b>Balance</b>	<b>70900</b>
									<b>0.64</b>
3	1201060002239844	Seetha Kumari	0	0	21-09-18	699	Purchase	699	0.01
					05-10-18	4465	Purchase	5164	0.05
					12-10-18	12836	Purchase	18000	0.16
					11-01-19	2106	Purchase	20106	0.18
					18-01-19	934	Purchase	21040	0.19
					25-01-19	7179	Purchase	28219	0.26
					01-02-19	11912	Purchase	40131	0.36
					08-02-19	3168	Purchase	43299	0.39
					15-02-19	17045	Purchase	60344	0.55
					22-02-19	4123	Purchase	64467	0.58
								<b>Balance</b>	<b>64467</b>
									<b>0.58</b>
4	1601480000880551	IL and FS Securities Services Ltd	51435	0.47			-	51435	0.47
					06-04-18	-466	Sale	50969	0.46
					13-04-18	1070	Purchase	52039	0.47
					20-04-18	8720	Purchase	60759	0.55
					27-04-18	2221	Purchase	62980	0.57
					04-05-18	398	Purchase	63378	0.57
					11-05-18	-13535	Sale	49843	0.45
					18-05-18	500	Purchase	50343	0.46
					25-05-18	1738	Purchase	52081	0.47
					01-06-18	1435	Purchase	53516	0.49
					08-06-18	-32504	Sale	21012	0.19
					15-06-18	621	Purchase	21633	0.20
					22-06-18	18351	Purchase	39984	0.36
					29-06-18	823	Purchase	40807	0.37
					06-07-18	-7329	Sale	33478	0.30
					13-07-18	1550	Purchase	35028	0.32
					20-07-18	7947	Purchase	42975	0.39
					27-07-18	-3815	Sale	39160	0.36
					03-08-18	-12900	Sale	26260	0.24
					10-08-18	3917	Purchase	30177	0.27
					17-08-18	3364	Purchase	33541	0.30
					24-08-18	3484	Purchase	37025	0.34
					31-08-18	3054	Purchase	40079	0.36
					07-09-18	13653	Purchase	53732	0.49
					12-09-18	6000	Purchase	59732	0.54
					21-09-18	-550	Sale	59182	0.54
					28-09-18	-14361	Sale	44821	0.41
					29-09-18	-9087	Sale	35734	0.32
					05-10-18	-13142	Sale	22592	0.20
					12-10-18	-11726	Sale	10866	0.10





S. No	Folio No/ Client ID No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
			No of Shares at the Beginning (01-04-17) /end of the Year (31-03-18)	% of total shares of the Company				No of Shares at the Beginning (01/04/18)/ end of the Year (31/03/19)	% of total shares of the Company
					19-10-18	500	Purchase	11366	0.10
					26-10-18	70	Purchase	11436	0.10
					02-11-18	3500	Purchase	14936	0.14
					09-11-18	3266	Purchase	18202	0.17
					16-11-18	-4838	Sale	13364	0.12
					23-11-18	6971	Purchase	20335	0.18
					30-11-18	-4306	Sale	16029	0.15
					07-12-18	-1500	Sale	14529	0.13
					14-12-18	-1413	Sale	13116	0.12
					21-12-18	-138	Sale	12978	0.12
					04-01-19	-4573	Sale	8405	0.08
					11-01-19	-100	Sale	8305	0.08
					18-01-19	-300	Sale	8005	0.07
					01-02-19	-5000	Sale	3005	0.03
					08-02-19	-206	Sale	2799	0.03
					15-02-19	-73	Sale	2726	0.02
					01-03-19	12298	Purchase	15024	0.14
					08-03-19	-604	Sale	14420	0.13
					22-03-19	-23	Sale	14397	0.13
					29-03-19	-12653	Sale	1744	0.02
				<b>Balance</b>		0	-	<b>1744</b>	<b>0.02</b>
5	IN30048412622255	Axis Bank Limited	46373	0.42		0	-	46373	0.42
					06-04-18	100	Purchase	46473	0.42
					13-04-18	-34739	Sale	11734	0.11
					27-04-18	-20	Sale	11714	0.11
					04-05-18	-1334	Sale	10380	0.09
					11-05-18	350	Purchase	10730	0.10
					18-05-18	-200	Sale	10530	0.10
					25-05-18	3765	Purchase	14295	0.13
					01-06-18	-3294	Sale	11001	0.10
					08-06-18	-369	Sale	10632	0.10
					22-06-18	7	Purchase	10639	0.10
					29-06-18	240	Purchase	10879	0.10
					06-07-18	98	Purchase	10977	0.10
					20-07-18	2452	Purchase	13429	0.12
					27-07-18	-2652	Sale	10777	0.10
					24-08-18	15000	Purchase	25777	0.23
					31-08-18	-12500	Sale	13277	0.12
					12-09-18	-2500	Sale	10777	0.10
					21-09-18	77122	Purchase	87899	0.80
					28-09-18	-50	Sale	87849	0.80
					05-10-18	4955	Purchase	92804	0.84
					12-10-18	-20	Sale	92784	0.84
					26-10-18	48993	Purchase	141777	1.29
					09-11-18	-700	Sale	141077	1.28
					16-11-18	-139927	Sale	1150	0.01
				<b>Balance</b>	-	0	-	<b>1150</b>	<b>0.01</b>
6	1207650000000621	Kishore Kumar Jaykumar	40580	0.37		0	-	40580	0.37
				<b>Balance</b>	-	0	-	<b>40580</b>	<b>0.37</b>
7	IN30131320493031	Subramanian P	37500	0.34		0	-	37500	0.34
				<b>Balance</b>	-	0	-	<b>37500</b>	<b>0.34</b>
8	1202000000070420	Anand Mishrilal Jaju	0	0		0	-	0	0
					08-06-18	20000	Purchase	20000	0.18
					24-06-18	13724	Purchase	33724	0.31
					31-08-18	1276	Purchase	35000	0.32
				<b>Balance</b>	-	0	-	<b>35000</b>	<b>0.32</b>
9.	1302590001369221	Vaibhav Sunil Kapur	32321	0.29		0	-	32321	0.29
				<b>Balance</b>	-	0	-	<b>32321</b>	<b>0.29</b>
10	1204520000009960	Samir Mansukh Sureja	28000	0.25		0	-	28000	0.25
				<b>Balance</b>	-	0	-	<b>28000</b>	<b>0.25</b>



**ATTACHMENT 'F'**

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

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

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reasons	Cumulative Shareholding During the year (01-04.18 to 31.03.19)	
		No. of share at the beginning (01.04.17)/end of the year (31.3.18)	% of total shares of the company				No. of Share at the beginning (01.04.18)/end of the year (31.3.19)	% of total shares of the company
1	Mr. Mukhtarul Amin	1324487	12.01		0	There is no change	1324487	12.01
2	Mrs. Shahina Mukhtar	505560	4.58		0	There is no change	505560	4.58
3	Mr. Zafarul Amin	181988	1.65		0	There is no change	181988	1.65
4.	Mr. Yusuf Amin	132350	1.20		0	There is no change	132350	1.20
5.	Mr. Mohd. Shadab	14400	0.13		0	There is no change	14400	0.13
6	Mr. Vinay Sanan	1382	0.01		0	There is no change	1382	0.01
7	Mr. Anil Kumar Agarwal	26	0		0	There is no change	26	0

**ATTACHMENT 'G'**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	4557.98	-	-	4557.98
ii. Interest due but not paid	34.62	-	-	34.62
iii. Interest accrued but not due	0.57	-	-	0.57
<b>Total (i+ii+iii)</b>	<b>4593.17</b>	-	-	<b>4593.17</b>
<b>Change in indebtedness during the financial year.</b>				
- Addition	784.19	-	-	784.19
- Reduction	1429.75	-	-	1429.75
<b>Net Change</b>	<b>(645.56)</b>	-	-	<b>(645.56)</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	3912.42	-	-	3912.42
ii. Interest due but not paid	28.81	-	-	28.81
iii. Interest accrued but not due	0.44	-	-	0.44
<b>Total (i+ii+iii)</b>	<b>3941.67</b>	-	-	<b>3941.67</b>



**ATTACHMENT 'H'**

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

S.No.	Particulars Of Remuneration	Name of MD/WTD/Manager, Designation						TOTAL AMOUNT
		Mr. Mukhtarul Amin Chairman and Managing Director	Mrs. Shahina Mukhtar Wholetime Director	Mr. Zafarul Amin Joint Managing Director	Mr. Vinay Sanan Executive Director	Mr. Mohd. Shadab Dy. Managing Director	Mr. Anil Kumar Agarwal Director Finance	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	9000000	3000000	3471432	2708827	2796438	1349520	22326217
	(b) Value of perquisites u/s 17(2) Income Tax Act.1961	4256	-	311992	64900	11267	59633	452048
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act.1961	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission : as % of profit : Others specify	1896000 -	948000 -	948000 -	- -	- -	- -	3792000 -
5	Others : P.F. : Club Fees : Medical : L.T.C./Exgratia : Leave Encashment Electricity Guards/Servants Rent Car	1080000 - - - - - - - - -	360000 - - - - - - - - -	416568 - - - - - - - - -	194400 - - 134946 - - - - - -	207294 - - - - - - - - -	124512 - - - - - - - - -	2382774 - - 134946 - - - - - -
	<b>Total (A)</b>	<b>11980256</b>	<b>4308000</b>	<b>5147992</b>	<b>3103073</b>	<b>3014999</b>	<b>1533665</b>	<b>29087985</b>
	Ceiling as per the Act.	Remuneration Rs 291.05 lacs (being 10% of the profit of the company calculated as per Section 198 of the Companies Act, 2013)						

**ATTACHMENT 'I'**

**B. Remuneration to other directors:**

S.No.	Particulars Of Remuneration	Name of Directors								TOTAL AMOUNT
		Mr. Kamal Agarwal	Mr. Syed Javed Ali Hashmi	Mr. Nemi Chand Jain	Mr. Anil Soni	Mr. Krishan Kumar Agarwal	Mr. Dilip Kumar Dheer	Mr. Yusuf Amin	Mr. Ajai Kumar Sengar	
1	Independent Directors : Fee for attending board committee meeting : Commission : Other (Director Travelling)	1000 0 0	3000 0 0	1000 0 0	1000 0 0	1000 0 0	7000 0 0	3000 0 0	1000 0 0	18000 0 0
	<b>Total (1)</b>	<b>1000</b>	<b>3000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>7000</b>	<b>3000</b>	<b>1000</b>	<b>18000</b>
2	Other Non-Executive Directors : Fee for attending board committee meeting. : Commission : Other	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B) = (1+2)</b>	<b>1000</b>	<b>3000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>7000</b>	<b>3000</b>	<b>1000</b>	<b>18000</b>
	Total Managerial Remuneration(A+B)	0	0	0	0	0	0	0	0	0
	Ceiling as per the Act.	Rs. 29.11 Lacs (being 1% of the net profit of the company calculated as per Section 198 of the Companies Act, 2013)								



**ATTACHMENT 'J'**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

S.No.	Particulars of Remuneration	CEO	Company Secretary	CFO	TOTAL AMOUNT
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act. 1961 (b) Value of perquisites u/s 17(2) Income Tax Act.1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act.1961	Covered under Chairman and Managing Director	1120607	Covered under Director Finance	1120607
2	Stock Option		0		0
3	Sweat Equity		0		0
4	Commission : as % of profit : Others specify		0		0
5	Others : P.F. : Club Fees : Medical : L.T.C. : Leave Encashment		102414 0 0 0 0		102414 0 0 0 0
	<b>Total</b>		<b>1223021</b>		<b>1223021</b>

**DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013  
STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT 2013 READ WITH RULES 5(2) AND 5 (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**A. Top ten employees, in terms of remuneration drawn :-**

SI	Name	Designation	Age	Qualifications	Date of Commencement of employment	Experience (year)	Gross Remuneration	Previous Employment
1.	Mr. Mukhtarul Amin	Chairman & Managing Director	67	B.Sc.	02.09.1984	46	11980256	N. A.
2.	Mrs. Shahina Mukhtar	Wholetime Director	63	Graduate	14.01.1980	39	4308000	N. A.
3.	Mr. Zafarul Amin	Jt.Managing Director	36	Leather Technologist	30.01.2002	17	5147992	N. A.
4.	Mr. Mohd. Shadab	Dy. Managing Director	42	Footwear Technologist	22.08.1998	21	3014999	N. A.
5.	Mr. Vinay Sanan	Executive Director	62	Graduate	02.01.1996	41	3103073	N. A.
6.	Mr. Deepak Sanan	Liason Manager	35	B.Tec.Master in Renewable Energy	01.08.2011	08	1800000	N. A.
7.	Mr. Anil Kumar Agarwal	Director Finance	65	Chartered Accountant	15.10.1996	40	1533665	U.P. Drugs & Pharmaceuticals Co. Ltd.
8.	Mr. Vinod Kumar Sahani	General Manager Operation	53	Post Graduate	04.08.2017	29	1407034	Mira Exam Ltd.
9.	Mr. Mohd.Iqbal Hussain	Vice President Domestic Marketing	43	MSW, LLB	01.07.2016	21.5	1394172	Bata India Ltd.
10.	Mr. Hari Kant Shukla	Vice President	53	M.Com	15.12.2015	19	1279579	Kapsons World Wide

**B. Employed throughout the financial year 2018-19 and in receipt of remuneration in the aggregate, not less than one crore and two lacs rupees :-**

Name	Designation	Age	Qualifications	Date of Commencement of employment	Experience (year)	Gross Remuneration	Previous Employment
Mr. Mukhtarul Amin	Chairman & Managing Director	67	B.Sc.	02.09.1984	46	11980256	N. A.

**Notes :-**

- All appointments are contractual and terminable by notice on either side.
- Mr. Mukhtarul Amin, Mrs. Shahina Mukhtar, Mr. Zafarul Amin and Mr. Mohammed Shadab, directors of the company are relatives of each other.
- Mr. Deepak Sanan is son of Mr. Vinay Sanan, Executive Director of the company.
- No employee was employed for a part of the financial year who was in receipt of remuneration of Rs 8.50 lacs or more per month

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

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees are as under:-

Sr.No.	Name of Director/KMP And Designation	Remuneration of Director/ KMP for the Financial year 2018-19 (Rs. In lacs)	% increase/decrease in Remuneration In the Financial Year 2018-19	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Mukhtarul Amin	119.80	18.80	92.15
2	Mr. Zafarul Amin	51.48	35.90	39.60
3	Mrs. Shahina Mukhtar	43.08	28.21	33.14
4	Mr.Mohd. Shadab	30.15	-1.63	23.19
5	Mr. Vinay Sanan	31.03	2.65	23.87
6	Mr. Anil Kumar Agarwal	15.34	0.92	11.80
7	Mr. R K Agrawal	12.23	5.07	NA

- The median remuneration of employees of the Company during the financial year was Rs. 1.26 Lacs.
- In the financial year, there was an increase of 2.69 % in the median remuneration of employees;
- There were 1560 permanent employees on the rolls of Company as on March 31, 2019.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e.2018-19 was 3.43% whereas the increase in the managerial remuneration for the same financial year was 17.10 %. Increase in salary/remuneration was made as per performance evaluation.
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year –Not Applicable; and
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**ANNEXURE III TO DIRECTOR'S REPORT  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST March, 2019**

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

**To,  
The Members,  
Superhouse Ltd.,  
150 Feet Road  
Jajmau  
Kanpur 208010.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Superhouse 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I

hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Superhouse Ltd. for the financial year ended on 31st March, 2019 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under.



- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **(Not applicable during the Audit Period).**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable during the Audit Period).**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable during the Audit Period)**

(6) I further report that reliance has been placed on the management representation by the Company for compliances and systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws, and Regulations, there is no specific Law applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement (LODR) entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange Ltd.

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

mentioned above. (Form DPT 3, return of deposits or transactions not considered as deposits last date whereof is June 30, 2019 is to be complied with and filed by the Company with ROC)

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) 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, there were no other events having a major bearing on the Company's affairs in pursuance to the above laws, rules, regulations, guidelines etc. during the period under review except general advisory issued by U.P. Government for future shifting of all tannery units situated at Jajmau/Unnao Kanpur.

Place: Kanpur  
Date: May 30, 2019

Signature

**Banthia And Company**  
**(G K Banthia (Prop.))**  
**Practicing Company Secretary**  
**ACS 4933; CP No. 1405**

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

### Annexure A

To,  
**The Members**  
**Superhouse Limited**  
**150 Feet Road**  
**Jajmau**  
**Kanpur 208010.**

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

- 1. It is the responsibility of the management of the company to maintain secretarial record, devise proper systems to ensure compliance with the provisions of all the applicable laws and to ensure that the systems are adequate and operate effectively.
- 2. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial

records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- 4. We have not verified the correctness and appropriateness of finance records and Books of Accounts of the company.
- 5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer:**

- 6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: May 30, 2019  
Place: Kanpur

Signature

**Banthia And Company**  
**(G K Banthia (Prop.))**  
**Membership ACS 4933; CP No. 1405**



## CORPORATE GOVERNANCE REPORT

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

Superhouse, right from its inception has been committed to the highest standards of Corporate Governance Practices. The company believes that a strong Corporate Governance policy is indispensable to healthy business growth, besides being an important instrument for investor protection. Good Corporate Governance provides an appropriate framework for the Board and the Management to carry out the objectives that are in the interest of the company and the shareholders. The Company complies with the Corporate Governance Code enshrined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### 2. Board of Directors:-

#### i. Composition and Category

The Board of Directors comprises a Chairman and Managing Director, five Executive Directors and eight Non-Executive Directors. Out of fourteen directors, seven directors are independent and non-executive directors, one is women director and one is non-independent and non-executive director.

Mr. Zafarul Amin (DIN 00015533) and Mr. Mohammad Shadab (DIN:00098221) retire by rotation at the ensuing Annual General Meeting and being eligible, they offer themselves for re-election.

#### ii. Selection of Independent Directors:-

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

The necessary declaration with respect to independence has been received from all the Independent Directors of the company and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act 2013.

No Independent director has resigned before the expiry of his

tenure.

In the opinion of the board, the independent directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

#### iii. Meeting of Independent Directors :-

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

One meeting of Independent Directors was held during the year.

#### iv. Familiarization programmes for Board Members:-

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

#### v. Succession Planning:-

The board of directors and Nomination and Remuneration Committee work along with the Human Resources team of the company for orderly succession plan for the appointment to the board of directors and senior management.

#### vi. Meetings:-

During the year, seven Board Meetings were held. The dates of the meetings were as follows :- 30th May, 2018, 6th June, 2018, 13th June, 2018, 9th July, 2018, 14th August, 2018, 14th November, 2018 and 14th February, 2019.

#### vii. Composition of the Board of Directors :-

The composition of the Board of Directors as on 31st March, 2019, attendance of each director at the Board of Directors' meeting and at the last Annual General Meeting and number of other directorship/memberships of committees of each director are as follows:-

Name of Directors	Categories	No. of Board Meeting attended	Attendance at last AGM	No. of other Director-Ship	Committee Membership	
					Members	Chairman
Mr. Mukhtarul Amin	Chairman and Managing Director	2	No	7	0	2
Mr. Zafarul Amin	Joint Managing Director	7	No	0	0	0
Mrs. Shahina Mukhtar	Executive Director	1	No	1	0	0
Mr. Vinay Sanan	Executive Director	4	No	1	0	0
Mr. Anil Kumar Agarwal	Executive Director	6	Yes	2	4	0
Mr. Mohd. Shadab	Dy. Managing Director	4	No	0	0	0
Mr. Yusuf Amin	Director, Non-Independent	3	No	3	0	0
Mr. Nemi Chand Jain	Director, Independent	1	No	1	0	0
Mr. Dilip Kumar Dheer	Director, Independent	7	Yes	1	2	3
Mr. Syed Javed Ali Hashmi	Director, Independent	3	No	7	5	0
Mr. Anil Soni	Director, Independent	1	No	1	0	0
Mr. Kamal Agarwal	Director, Independent	1	No	1	3	0
Dr. Krishan Kumar Agarwal	Director, Independent	1	No	0	0	0
Mr. Ajai Kumar Sengar	Director, Independent	1	No	0	0	0



**Notes:-**

- i. Number of other directorship do not include directorship in foreign companies.
  - ii. Mr. Mukhtarul Amin, Chairman and Managing Director, Mr. Zafarul Amin, Joint Managing Director, Mr. Mohammad Shadab, Deputy Managing Director, Mrs. Shahina Mukhtar and Mr. Yusuf Amin, Directors are related to each other. None of the other directors are related to any other director on the board.
  - iii. No. Director of the Company is director of any other listed company.
- viii. Number of shares held by non-executive directors are as under :-**
- i. Mr. Yusuf Amin, Non Independent Director - 132350 equity shares of Rs. 10/- each
  - ii. Mr. Kamal Agarwal, Independent Director - 3961 equity shares of Rs. 10/- each
  - iii. Mr. Anil Soni, Independent Director - 39 equity shares of Rs. 10/- each
- The Company has not issued any convertible instruments.
- ix. The Board periodically reviews the compliance reports of all laws applicable to the Company.
  - x. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

**3. Audit Committee :-**

**a. Composition of the Committee**

Name	Category	Designation	No. of meeting attended
Mr. Dilip Kumar Dheer	Non Executive-Independent	Chairman	7
Mr. Syed Javed Ali Hashmi	Non Executive- Independent	Member	4
Mr. Kamal Agarwal	Non Executive-Independent	Member	1
Mr. Anil Kumar Agarwal	Executive Director	Member	7

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 29<sup>th</sup> September, 2018.

**b. Meetings Details.**

During the year, seven meetings were held one of which was held before finalization of accounts. The said meetings were held on 30th May, 2018, 6th June, 2018, 13th June, 2018, 9th July, 2018, 14th August, 2018, 14th November, 2018 and 14th February, 2019.

**c. Brief description of terms of reference:**

Powers of the Audit Committee

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

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

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

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

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

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

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

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

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

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

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

Scrutiny of inter corporate loans and investments.

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

Evaluation of internal financial controls and risk management systems.

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

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

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

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

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

To review the functioning of the Whistle Blower mechanism.

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

To look into reasons for substantial defaults, if any, to shareholders and creditors.

Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary companies exceeding 10% of the asset size of the subsidiary including existing loan/advances/investment.

The Company's Board of Directors and/or other Committees of Directors may specifically refer carrying out such other functions as to the Committee.

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

**Reviewing the following information:-**

- The Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit





- Committee), submitted by management;
- Management letter/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of internal auditors / chief internal auditor.

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

**4. Nomination and Remuneration Committee.**

**a. Composition of the Committee**

The company had formed a Nomination and Remuneration Committee and this Committee consists of Mr. Dilip Kumar Dheer, Mr. Syed Javed Ali Hashmi and Mr. Kamal Agarwal. The constitution of the Remuneration Committee and attendance of each member of the Committee as on 31st March, 2019 is given below:-

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

- b. During the year, one meeting was held on 14.08.2018.
- c. **The Terms of Reference of the Committee, inter alia, includes the following:**
  - To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
  - To carry out evaluation of every Director's performance.
  - To formulate the criteria for determining qualifications, positive

attributes and Independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s), Wholtime Director(s) and other senior management based on their performance and defined assessment criteria.
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme, if any.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**d. Performance evaluation criteria for independent director: -**

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

**5. Remuneration of Directors :**

The remuneration policy presently followed by the company to fix the remuneration of Executive/Whole-time Directors take into consideration the qualifications and functional experience of the individual, profitability of the company and the prevailing remuneration package in the leather industry. The details of remuneration paid/payable to the Directors during the financial year 2018-2019 are as under :-

Sl. No.	Name of Directors	Remuneration paid during the year 2018-19							Notice Period	Total
		Salary	P.F.	Per-Quisites	Bonus/LT C/Ex-gratia	Commission on net profit	Sitting Fee	Allowances		
<b>Executive/Whole-time Directors</b>										
1.	Mr. Mukhtarul Amin	9000000	1080000	4256	0	1896000	0	0	0	11980256
2.	Mrs. Shahina Mukhtar	3000000	360000	0	0	948000	0	0	0	4308000
3.	Mr. Zafarul Amin	3471432	416568	311992	0	948000	0	0	0	5147992
4.	Mr. Vinay Sanan	2708827	194400	64900	134946	0	0	0	0	3103073
5.	Mr. Anil Kumar Agarwal	1349520	124512	59633	0	0	0	0	0	1533665
6.	Mr. Mohd. Shadab	2796438	207294	11267	0	0	0	0	0	3014999
<b>Non-Executive Directors</b>										
7.	Mr. Yusuf Amin	0	0	0	0	0	3000	0	0	3000
8.	Mr. Nemi Chand Jain	0	0	0	0	0	1000	0	0	1000
9.	Mr. Anil Soni	0	0	0	0	0	1000	0	0	1000
10.	Mr. Kamal Agarwal	0	0	0	0	0	1000	0	0	1000
11.	Mr. Dilip Kumar Dheer	0	0	0	0	0	7000	0	0	7000
12.	Dr. Krishan Kumar	0	0	0	0	0	1000	0	0	1000
13.	Mr. Syed Javed Ali Hashmi	0	0	0	0	0	3000	0	0	3000
14.	Mr. Ajai Kumar Sengar	0	0	0	0	0	1000	0	0	1000

**Note:-**

- (i) All the service contracts with the company may be terminated by either party by providing one month notice to the other party, as per service rules of the company. No severance fee is payable.
- (ii) No stock option given by the company during the financial year 2018-19.
- (iii) The criteria of making payments to non-executive directors may be accessed on the Company's website at the link <http://superhouse.in/pdf/Criteria-of-making-payments-to-Non-Executive-Directors.pdf>.

**6. Stakeholders Relationship Committee:**

During the year, thirty six meetings of Stakeholders Relationship Committee were held. The said meetings were held on 7th April, 2018, 14th April, 2018, 21st April, 2018, 30th April, 2018, 21st May, 2018, 31st May, 2018, 7th June, 2018, 14th June, 2018, 21st June, 2018, 7th July, 2018, 14th July, 2018, 21st July, 2018, 31st July, 2018, 07th August, 2018, 14th August, 2018, 21st August, 2018, 31st August, 2018, 12th September, 2018, 6th October, 2018, 13th October, 2018, 20th October, 2018, 31st October, 2018, 6th November, 2018, 21st November, 2018, 30th November, 2018, 7th December, 2018, 21st December, 2018, 31st December, 2018, 14th January, 2019, 21st January, 2019, 31st January, 2019, 7th February, 2019, 28th February, 2019, 14th March, 2019, 20th March, 2019 and 30th March, 2019.

The details of composition of Stakeholders Relationship Committee/Investors Grievances Committee and attendance of each member of the Committee as on 31st March, 2019 is as under :-

**Composition of the Committee**

Sl.	Name	Category	Designation	No. of Meeting Attended.
1.	Mr. Dilip Kumar Dheer	Non-Executive-Independent	Chairman	28
2.	Mr. Syed Javed Ali Hashmi	Non-Executive-Independent	Member	23
3	Mr. Kamal Agarwal	Non-Executive-Independent	Member	14
4.	Mr. Anil Kumar Agarwal	Executive Director	Member	19

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

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

- Resolving the grievances of the security holders of the Company including complaints related to transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time or modification as may be applicable.

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

The Company has received 04 (four) complaints from the shareholders during the year; all of them have been replied/redressed to the satisfaction of the shareholders. There is no pending complaint or transfer up to 31st March 2019.

Mr K.K. Srivastava has been appointed as Nodal Officer, by the company under the provisions of Investor Education and Protection Fund (IEPF). The contact details of the Compliance Officer and Nodal officer has been provided on the website of the Company at <http://superhouse.in>.

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

Year	Date and Time	Location	Special Resolution
2015-16	30 <sup>th</sup> September, 2016 at 10.00 A.M.	150 Feet Road, Jajmau, Kanpur- 208010	No Special Resolution passed
2016-17	29 <sup>th</sup> September, 2017 at 10.00 A.M.	150 Feet Road, Jajmau, Kanpur- 208010	Six Special Resolution were passed
2017-18	29 <sup>th</sup> September, 2018 at 10.00 A.M.	219/3 & 4 'L' Block, Naveen Nagar, Kakadeo, Kanpur-208025	No Special Resolution passed

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

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

During the year under review, no resolution was passed by postal ballot. At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

**8. Means of Communication :-**

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

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



**9. General Shareholders Information :- Company Registration Details :-**

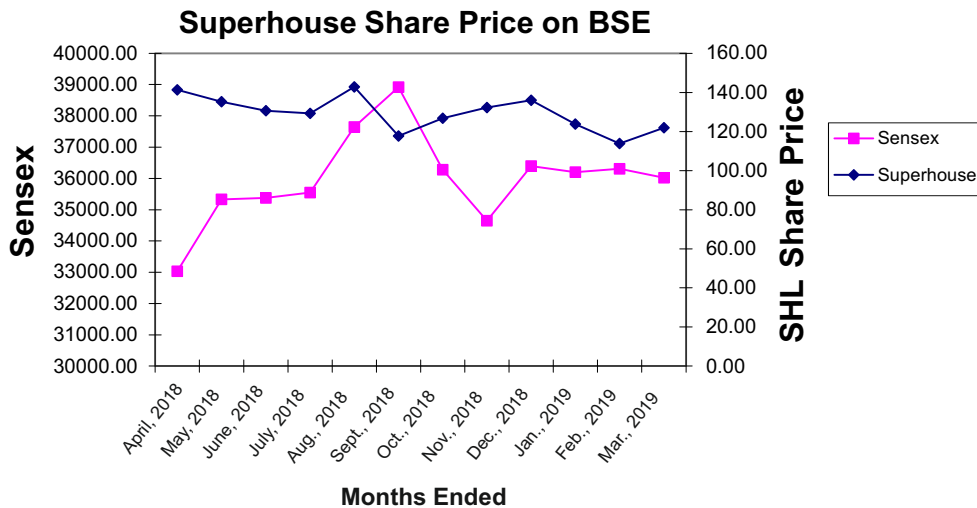
The Company is registered in the State of Uttar Pradesh. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24231UP1980PLC004910.

i.	Date of Annual General Meeting, time and venue	30 <sup>th</sup> September, 2019 at 10.00 A.M. at 219/3 & 4 'L' Block, Naveen Nagar, Kakadeo, Kanpur-208025
ii.	Financial Year	1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019
iii.	<b>Financial Calendar</b> Ist Quarterly Results IInd Quarterly Results IIIrd Quarterly Results IVth Quarterly Results Annual General Meeting	During second week of August, 2019 During second week of November, 2019 During second week of February, 2020 During last week of May, 2020 During last week of September, 2020
iv.	<b>Date of Book Closure</b>	16 <sup>th</sup> September, 2019 to 30 <sup>th</sup> September, 2019 (both days inclusive)
v.	<b>Dividend Payment Date</b>	Credit/dispatch of dividend warrants between 1 <sup>st</sup> October, 2019 and 5 <sup>th</sup> October, 2019.
vi.	<b>Listing at Stock Exchanges</b>	The Stock Exchange, Mumbai and The National Stock Exchange of India Ltd., Mumbai. Annual Listing Fee up to Current Year has been paid to both the Stock Exchanges.
vii.	a. <b>Stock Code</b> b. <b>Demat/ISIN for NSDL and CDSL</b>	523283 at BSE and SUPERHOUSE at NSE INE 712B01010. Annual Custody fee up to Current Year has been paid to both the Depositories.

**viii. Stock Market price data of the company for the year 2018-2019 are as follows :-**

Months	The Stock Exchange, Mumbai	
	Highest (Rs.)	Lowest (Rs.)
April, 2018	151.15	129.05
May, 2018	147.50	120.85
June, 2018	152.00	118.35
July, 2018	137.40	123.45
August, 2018	150.60	127.10
September, 2018	150.00	116.60
October, 2018	132.10	107.15
November, 2018	154.10	124.00
December, 2018	158.00	119.20
January, 2019	139.95	117.45
February, 2019	125.50	110.00
March, 2019	138.40	113.95

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



**x. Registrar and Share Transfer Agents :-**

The Company has appointed M/s Skyline Financial Services (P) Limited as Registrar and Share Transfer Agent of the company in respect of shares held in physical and demat form. The contact details of the Registrar is as under :-  
M/s Skyline Financial Services (P) Limited,  
D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020  
Phone No. (011) 26812682-26812683, 40450193-197  
Email: viren@skylinert.com

**xi. Share Transfer System :-**

The Company has made arrangements with M/s Skyline Financial Services (P) Limited, the common agency for share transfer and the depository services. M/s Skyline Financial Services (P) Limited processes the

transfer/transmission of shares in every 10 days.

**xii. a. Distribution of Shareholders:-**

Distribution of shareholding as at 31st March, 2019 are as under :-

Range	No. of Members	%age	No. of Shares held (in Rs)	%age
Upto- 500	23691	96.61	21370480	19.38
501- 1000	452	1.84	3469680	3.15
1001-2000	172	0.70	2593560	2.35
2001-3000	76	0.31	1920320	1.74
3001-4000	39	0.16	1358700	1.23
4001-5000	21	0.09	973880	0.89
5001-10000	30	0.12	2078080	1.89
10001- above	41	0.17	76485300	69.37
<b>TOTAL</b>	<b>24522</b>	<b>100.00</b>	<b>110250000</b>	<b>100.00</b>



**b. Shareholding Pattern as at 31st March, 2019 is as under :**

Category		No. of shares held	Percentage of Shareholding
<b>A Promoter's holding (1+2)</b>		<b>6050874</b>	<b>54.88</b>
1.	Promoters		
2.	Indian Promoters	6050874	54.88
	Foreign Promoters	-	-
	Persons acting in Concert	-	-
	<b>Sub -Total (A)</b>	<b>6050874</b>	<b>54.88</b>
<b>B. Non-Promoters Holding (3+4)</b>		<b>4974126</b>	<b>45.12</b>
3.	Institutional Investors		
a.	Mutual Funds and UTI	0	0
b.	<b>Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non- Government Institutions)</b>	<b>2300</b>	<b>0.02</b>
c.	FIs	-	-
	<b>Sub-Total (B.3)</b>	<b>2300</b>	<b>0.02</b>
4.	<b>Others</b>		
a.	<b>Private Corporate Bodies</b>	<b>130451</b>	<b>1.18</b>
b.	<b>Indian Public</b>	<b>4699504</b>	<b>42.63</b>
c.	<b>NRI's/OCBs</b>	<b>141871</b>	<b>1.29</b>
d.	<b>Any Other (Please specify)</b>	-	-
	<b>Sub-Total (B.4)</b>	<b>4971826</b>	<b>45.10</b>
	<b>Sub-Total (B)</b>	<b>4974126</b>	<b>45.12</b>
	<b>GRAND TOTAL</b>	<b>11025000</b>	<b>100.00</b>

**xiii. a. Dematerialization of Shares and Liquidity :-**

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

The status of physical /demat shares as on 31st March, 2019 is as under :-

Total No. of Equity Shares : 11025000

Total No. of Shareholders/Beneficial Owners : 24522

Mode	No of Equity Shares		% of Equity Shares	
Physical		1108982		10.06
Demat		9916018		89.94
National Securities Depository Limited	7671560		69.58	
Central Depository Services Limited	2244458		20.36	
<b>TOTAL</b>		<b>11025000</b>		<b>100%</b>

**b. Liquidity :-**

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

**xiv. Outstanding Instrument: -**

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

**xv. Commodity Price Risks/Foreign Exchange Risk and Hedging Activities:-**

The major raw material for the leather industry is raw hide/skins. Leather is a natural product and its prices and available are changing from time to time. The company is having vast experience in sourcing the raw materials for its tanneries and leather products divisions from India and outside which help in keeping the prices and availability under control.

The substantial revenue of the company is being generated in foreign exchange. The adverse foreign exchange rates may affect the profitability of the company. The experienced professional of the company are keeping close watch over movement in currency rates and keeping control through hedging activities.

**xvi. Plant Location :-**

Sl. No	Name of Division	Location
1.	Fashion Shoe Div. Unit I	D-15, UPSIDC Industrial Area, Site-II, Unnao-209 801
2.	Fashion Shoe Div. Unit II	Akarampur, Unnao-209801
3.	Fashion Shoe Div. Unit III	A-3, Export Promotion Industrial Park, Agra-282007
4.	Fashion Shoe Div. Unit IV	D-18, UPSIDC Industrial Area, Site-II, Unnao-209801
5.	Tannery No. 1	A-1, Site-II, Industrial Area, Unnao-209801
6.	Tannery No. 2	B-16, UPSIDC Industrial Area, Site-II, Unnao-209 801
7.	Shoe Upper Division	71-A, Jajmau, Kanpur-208010
8.	Safety Footwear Div-I	B-6, UPSIDC Industrial Area, Site-I, Unnao-209 801
9.	Safety Footwear Div-II	Banhar, Unnao-209801
10.	Readymade Garments Div-I	A-14, Sector-65, Phase-III, Noida-201303
11.	Readymade Garments Div- II	C-10, Sector-58, Phase-II, Noida-201303
12.	Safety Garments Div.	E-23, 24 UPSIDC Industrial Area, Site-I, Unnao-209801
13.	Bags and Wallet Division	Plot No. 1655, Zone 9, Kolkata Lecture Complex, Bantala, Kolkata-743502

**xvii. Address for Communication**

150 FEET ROAD, JAJMAU, KANPUR-208010  
 Phone No. 9935142048, Fax No. (0515) 2829325  
 Email : share@superhouse.in

**xviii. Credit Rating :-** During the year under review, the Company has sustained the Credit Rating "ICRA BBB+" assigned by ICRA, to its Long Term Bank facilities. Further, the Rating of "ICRA A2" assigned to the Short Term Bank facilities of your Company has also been reaffirmed.

**10. Constitution of Corporate Social Responsibility Committee:-****a. Composition of the Committee**

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

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

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

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

**c. Meetings Details.**

Two meetings of the CSR Committee were held during the year. The meeting were held on 09th July, 2018 and 14th February, 2019.

**11. Risk Management Committee :** Business risk evaluation and management is an on going process within the Company. The assessment is periodically examined by the Board.

**a. Composition of the Committee**

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

**b. Meetings Details.**

Two meetings of the Risk Management Committee were held during the year. The meeting were held on 09th July, 2018 and 14th February, 2019.

**c. Brief description of terms of reference.**

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



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

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

**12. Subsidiary Companies' Monitoring Framework :**

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company does not have any material unlisted subsidiary. The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements are reviewed quarterly by the board of the company.
- A statement containing all significant transactions and arrangements entered into by subsidiary companies is placed before the Company's Board.
- Presentations are made by the senior management of major subsidiaries on business performance to the Board of Directors of the Company.

The Company's Policy for determining Material Subsidiaries is put on the Company's website and can be accessed at <http://superhouse.in/pdf/Policy-for-determining-Material-Subsidiary.pdf>.

**13. Disclosures :-**

**i. Related Party Transactions :-**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Listing Regulations during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under the note 47 of notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of the transaction with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

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

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

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

The company has complied with all requirements of the Listing Regulations. Consequently, there was no stricture or penalty imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

**iii. Whistle Blower Policy:-**

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chair person of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

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

The company is in compliance with all mandatory requirements of Listing Regulations, including all the Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46 (2) (b) to (i) and sub-paras (2) to (10) of para C of Schedule V of Listing Regulations.

Regarding non-mandatory requirements the company is in the regime of unqualified financial statements and the Internal Auditor is directly reports to the Audit Committee.

**v. Disclosure of 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.

**vi. Disclosure of Unclaimed Suspense Account as required under Listing Regulations:-**

There is no share laying in the unclaimed suspense account as on 31st March, 2019, as all the shares held in Unclaimed Suspense Account had been transferred to IEPF Authority during 2017-18.

**vii. Compliance Officer:-**

Mr. R K Agrawal, Company Secretary is Compliance Officer for complying with requirements of Securities Laws.

**viii. Governance Codes :-**

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

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

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information :** In terms of the SEBI (Prohibition of Insider



Trading) Regulation 2015, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been formulated by the Company.

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

- ix. A certificate from a Company Secretary in practice has been received stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- x. The board had accepted all the recommendations of all committee of the board which is mandatorily required, in the relevant financial year.
- xi. The details of total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, have been provided in the audited financial statements.
- xii. There is no unutilized fund raised by the company through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- xiii. During the year under review, there was no complaint filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Listing Regulations. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Listing Regulations. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this report.

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

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2018-19.

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



## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

### To The members Superhouse Limited

1. We have examined the compliance of conditions of corporate governance by Superhouse Limited ("the Company"), for the year ended on March 31, 2019, as stipulated in regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### Management's responsibility

2. The compliance of conditions of corporate governance is the responsibility of management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations.

### Auditors' responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither audit nor expression of opinion on the financial statements of the Company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with corporate governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanation provided to us and representations provided by management, we certify that the Company has complied with the conditions of corporate governance as specified in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations, as applicable during the year ended March 31, 2019.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kanpur  
Date: July 06, 2019

**For Rajeev Prem & Associates**  
Chartered Accountants  
Firm Registration No. 008905C  
**(RAJEEV KAPOOR)**  
PARTNER  
Membership No. 077827  
UDIN: 19077827AAAABL5778

## CEO / CFO CERTIFICATE

To,  
The Board of Directors  
Superhouse Limited, Kanpur

1. We have reviewed financial statements and the cash flow statement of Super House Limited for the year ended March 31, 2019 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - i. that there are no significant changes in internal control over financial reporting during the year;
  - ii. that there are no significant changes in accounting policies during the year; and
  - iii. that there are no instances of significant fraud of which we have become aware.

**(Anil Kumar Agarawal)**  
Chief Financial Officer /Director Finance

**(Mukhtarul Amin)**  
Chairman and Managing Director/CFO

Place: Kanpur  
Date: July 06, 2019





**RAJEEV PREM & ASSOCIATE**  
Chartered Accountants



**Branches :**  
Off. 216, Kalpana Plaza  
24/147-B, Birhana Road, Kanpur-208001  
Email : carajeevkapoor@gmail.com  
Ph. : 0512-2302412  
Mob. : 09415051670

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Superhouse Limited**  
**Report on the Audit of Standalone Financial Statements**  
**Opinion**

We have audited the accompanying standalone financial statements of Superhouse Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the Statement of Profit and Loss (including other comprehensive income), the statement of change in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit (including other comprehensive income), change in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### **Description of Key Audit Matter**

#### **Investment in Wholly Owned Subsidiary - Impairment (refer notes 36 to the standalone Financial Statements)**

The company has investment of Rs. 1,697.69 Lacs as at March 31, 2019 in the shares of Linea De Seguridad SLU, a wholly owned subsidiary of the company (WOS). Further the company has Trade Receivable amounting to Rs. 254.27 Lacs and Advance of Rs. 18.62 Lacs from/to the WOS.

The net worth of WOS has substantially eroded due to operational losses and in view of the fact, the management has considered that there may be possibility of impairment in carrying value of investment.

Accordingly, the management has performed an impairment assessment and estimated the recoverable amount of its Investment in WOS using 'Discounted Cash Flow Valuation Method (DCF). DCF is complex and involve the use of significant estimates and assumptions of the management that are dependent on expected future market and economic conditions.

As per the assessment of the management and valuation specialist there is no impairment, accordingly, no provision has been considered necessary for any diminution in value of investment.

Considering the materiality of the amounts and significant estimates and assumptions being inherently subjective, this matter has been identified as a key audit matter for the current year audit.

### **How the matter was addressed in our audit**

Our audit procedures included but were not limited to the following:

- Obtaining understanding of management's process and assessing operating effectiveness of controls around identification of indicators of impairment, and valuation of the business of the WOS to determine recoverable value of the said investment;
- Assessing the appropriateness of methodology and valuation model used by the management and valuation specialist to estimate the recoverable value of investment in the WOS;
- Assessing the professional competence and independence of the valuation specialist engaged by the management;
- Assessing the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc. based on historical results, current developments and future plans of the business estimated by management;
- Sensitivity analysis on key assumptions used in calculation of recoverable value.
- we also considered the adequacy of disclosures in respect of investment in the said WOS in the notes to the standalone financial statements.

### **Information Other than the standalone Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have no thing to report in this regard.

### **Responsibility of Management for the standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, change in equity 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. 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 implementation and maintenance of 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for



assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**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, and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. Further to our comments in Annexure A, 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of change in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as of March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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".
  - (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 litigations on its financial position in its standalone financial statements – Refer Note no. 33 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; and
    - 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 disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 08, 2016 to December 30, 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

**For Rajeev Prem & Associates,**  
Chartered Accountants  
Firm Registration No. 008905C  
**Rajeev Kapoor**  
PARTNER  
Membership No. 077827  
UDIN: 19077827AAAABJ1149

Place : Kanpur  
Date : July 06, 2019



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

(Referred to in paragraph 1 of our report of even date on standalone financial statements for the financial year ended March 31, 2019 of **Superhouse Limited**)

In terms of the information and explanations given to us and also on the basis of such checks as we considered appropriate, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
- (c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date, except the following:

(Amount in Lacs)

Particulars of the land and building	Gross Block as at the Balance Sheet date	Net Block as at the Balance Sheet date	Remarks
DDA Flat No. FF2 at Sukhdeo Vihar, Jamia Nagar, New Delhi	19.00	12.80	Agreement to sale with General Power of Attorney executed, Title Deed is yet to be executed.
DDA Flat No. FF3 at Sukhdeo Vihar, Jamia Nagar, New Delhi	11.40	7.64	

- (ii) The inventories of the Company have been physically verified by the management at regular interval during the year. In our opinion, the frequency of verification is reasonable. As explained to us, the discrepancies noticed on verification were not material in relation to the operations of the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 (the Act) excepting interest free unsecured demand loan to two Wholly Owned Subsidiaries incorporated outside India out of which one such company has repaid the loan.
  - (a) The terms and conditions of such loan/advance are, prima facie, not prejudicial to the company's interest.
  - (b) As the loans are in the nature of demand loan, no schedule of repayment of principal and payment have been specified.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposit during the year within the meaning of Section 73 to Section 76 of the Companies Act, 2013 (the Act) read with the Rules framed there under. Hence, paragraph 3(v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act. Accordingly reporting under clause (vi) of paragraph 3 of the Order is not applicable.
- (vii) (a) According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax (GST), Cess and

other material statutory dues as applicable with the appropriate authorities and no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at March 31, 2019 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and GST which have not been deposited on account of any dispute, except mentioned as below:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount* (Rs. in Lacs)
The Trade Tax and Central Sales Tax Act	Tax & interest	Joint Commissioner of Trade Tax	2005-06	0.28
			2011-12	1.28
			2012-13	1.29
			2015-16	17.10
	Entry Tax	Joint Commissioner of Trade Tax	2005-06	5.87

\* Demand net of amount paid under protest

- (viii) The company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders during the year.
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, the term loans have been applied for the purposes for which they were raised.
- (x) Based on the audit procedures performed and 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 year.
- (xi) In our opinion, the managerial remuneration paid or provided by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The company is not a "Nidhi Company"; hence paragraph 3(xii) the Order is not applicable.
- (xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Ind AS.
- (xiv) The company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, paragraph 3(xiv) the Order is not applicable.
- (xv) In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) the Order is not applicable.
- (xvi) In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

**For Rajeev Prem & Associates,**  
Chartered Accountants  
Firm Registration No. 008905C

**Rajeev Kapoor**  
PARTNER

Membership No. 077827  
UDIN: 19077827AAAABJ1149

Place : Kanpur  
Date : July 06, 2019



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

(Referred to in paragraph 3(f) of our report of even date on the standalone financial statements for the financial year ended March 31, 2019 of **Superhouse Limited**)

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

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of **Superhouse Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 March 31, 2019, 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.

#### **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 Act.

#### **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 ICAI. 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**For Rajeev Prem & Associates,**  
Chartered Accountants  
Firm Registration No. 008905C

**Rajeev Kapoor**  
PARTNER

Membership No. 077827  
UDIN: 19077827AAAABJ1149

Place : Kanpur  
Date : July 06, 2019



**STANDALONE BALANCE SHEET AS AT MARCH 31, 2019**

<b>Particulars</b>	<b>Note No.</b>	<b>As at March 31, 2019 Rs. in Lacs</b>	<b>As at March 31, 2018 Rs. in Lacs</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	2 (a)	19,091.58	19,182.72
(b) Capital work-in-progress		275.18	557.92
(c) Other Intangible assets	2 (b)	15.36	17.53
(d) Financial Assets			
(i) Investments	3	4,329.71	3,891.76
(ii) Loans	4	469.61	470.25
		<b>4,799.32</b>	<b>4,362.01</b>
(e) Other non-current assets	5	663.36	629.74
<b>Current Assets</b>			
(a) Inventories	6	15,221.82	15,959.64
(b) Financial Assets			
(i) Trade receivables	7	12,780.81	13,126.52
(ii) Cash and cash equivalents	8	780.47	853.27
(iii) Bank Balances other than (ii) above	9	3,005.22	3,067.03
(iv) Other Financial Assets	10	3,826.91	2,830.32
		<b>20,393.41</b>	<b>19,877.14</b>
(c) Current Tax Assets (Net)		704.84	598.60
(d) Other current assets	11	1,071.89	1,059.81
		<b>62,236.76</b>	<b>62,245.11</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	12	1,141.98	1,141.98
(b) Other Equity	13	27,694.21	25,927.85
		<b>28,836.19</b>	<b>27,069.83</b>
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	2,772.95	3,151.59
(b) Deferred tax liabilities (net)	15	1,830.45	1,682.00
(c) Other non-current liabilities	16	249.33	328.87
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	13,697.32	13,784.95
(ii) Trade payables	18	11,077.04	11,943.40
(iii) Other financial liabilities	19	3,397.41	3,577.64
		<b>28,171.77</b>	<b>29,305.99</b>
(b) Other current liabilities	20	222.05	482.93
(c) Provisions	21	154.02	223.90
		<b>62,236.76</b>	<b>62,245.11</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>Significant Accounting Policies</b>	1		

See accompanying notes to the standalone financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**

Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**

Chairman and Managing Director

**ZAFARUL AMIN**

Joint Managing Director

**A. K. AGARWAL**

Chief Financial Officer

**R. K. AGRAWAL**

Company Secretary



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Note No.	2018 - 19 Rs. in Lacs	2017 - 18 Rs. in Lacs
<b>INCOME:</b>			
Revenue from Operations			
(a) Sales / income from operations	22 (a)	56,752.32	52,941.02
(b) Other Operating Revenue	22 (b)	<u>2,658.64</u>	<u>3,428.88</u>
Total Revenue from operations		59,410.96	56,369.90
Other income	23	620.01	1,251.67
<b>Total Income</b>		<u><b>60,030.97</b></u>	<u><b>57,621.57</b></u>
<b>EXPENSE:</b>			
Cost of materials consumed	24	31,352.33	29,920.65
Purchase of stock-in-trade	25	3,217.49	2,713.30
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	323.79	1,397.50
Employee Benefits Expenses	27	4,063.86	4,262.70
Finance costs	28	1,760.32	1,800.11
Depreciation and Amortization Expenses	29	1,410.57	1,469.57
Other Expenses	30	14,992.10	14,103.80
<b>Total Expenses</b>		<u><b>57,120.46</b></u>	<u><b>55,667.63</b></u>
Profit before Exceptional items and Tax		2,910.51	1,953.94
Exceptional Items		-	-
Profit before Tax		2,910.51	1,953.94
Tax expense:			
1. Current Tax		860.00	582.00
2. Deferred Tax		150.00	82.10
3. Tax adjustment relating to earlier years		<u>(13.33)</u>	<u>0.39</u>
Profit for the period		1,913.84	1,289.45
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(5.03)	13.60
(ii) Income tax related to items that will not be reclassified to profit or loss		<u>(1.55)</u>	<u>4.71</u>
Total comprehensive income for the period		1,910.36	1,298.34
Earnings per equity share	31		
(Face Value per Share Rs. 10/-)			
1. Basic		17.36	11.70
2. Diluted		17.36	11.70
<b>Significant Accounting Policies</b>	1		

See accompanying notes to the standalone financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**  
Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

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

**R. K. AGRAWAL**  
Company Secretary



**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

**A. Equity Share Capital**

Particulars	2018 - 19		2017 - 18	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
<i>Issued, Subscribed and fully paid-up</i>				
Equity shares outstanding at the beginning of the year	11,025,000	1,102.50	11,025,000	1,102.50
Shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	11,025,000	1,102.50	11,025,000	1,102.50
Add: Equity Shares forfeited (amount paid up originally)	3,947,718	39.48	3,947,718	39.48
Total	14,972,718	1,141.98	14,972,718	1,141.98

**B. Other Equity**

Particulars	FCMITD Account	Capital Reserve	Reserves and Surplus			OCI - Other	Total Other Equity
			Securities Premium	General Reserve	Retained Earnings		
Balance as at April 01, 2017	(28.16)	1,019.96	1,787.21	9,200.00	12,628.39	-	24,607.40
Profit for the year	-	-	-	-	1,289.45	-	1,289.45
Other Comprehensive Income	-	-	-	-	8.89	-	8.89
Dividend paid for the previous year (including Dividend Distribution tax thereon)	-	-	-	-	(132.69)	-	(132.69)
FVTOCI - Gain on fair value of other investments	-	-	-	-	-	126.64	126.64
Exchange Fluctuation on payment/restatement of loan	(8.19)	-	-	-	-	-	(8.19)
Amount charged to finance cost	36.35	-	-	-	-	-	36.35
Balance as at March 31, 2018	-	1,019.96	1,787.21	9,200.00	13,794.04	126.64	25,927.85
Profit for the year	-	-	-	-	1,913.84	-	1,913.84
Other Comprehensive Income	-	-	-	-	(3.48)	-	(3.48)
Dividend paid for the previous year (including Dividend Distribution tax thereon)	-	-	-	-	(132.91)	-	(132.91)
FVTOCI - Gain on fair value of other investments	-	-	-	-	-	(11.09)	(11.09)
Transfer to General Reserve	-	-	-	200.00	(200.00)	-	-
Balance as at March 31, 2019	-	1,019.96	1,787.21	9,400.00	15,371.49	115.55	27,694.21

**Significant Accounting Policies**

1

See accompanying notes to the standalone financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**

Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**

Chairman and Managing Director

**ZAFARUL AMIN**

Joint Managing Director

**A. K. AGARWAL**

Chief Financial Officer

**R. K. AGRAWAL**

Company Secretary



**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	2018- 19 Rs. in Lacs	2017 - 18 Rs. in Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax</b>	<b>2,910.51</b>	<b>1,953.94</b>
Adjustments for :		
Depreciation/ Amortisation	1,410.57	1,469.57
Profit on Sale of Property Plant & Equipments	(21.73)	(451.39)
Loss on Sale of Property Plant & Equipments	22.56	16.42
Interest income	(249.78)	(290.70)
Net (gain) / loss on fair valuation of investments	0.07	(0.01)
Dividend Income	(49.92)	(3.71)
Finance Cost	1,760.32	1,800.11
Deferral of income on government grant	(85.80)	(38.36)
Remeasurement of net defined benefit plans	(5.03)	13.60
Bad Debts provided/written off	47.73	129.53
<b>Operating profit before working capital changes</b>	<b>5,739.50</b>	<b>4,599.00</b>
Changes in working capital:		
(Increase)/ Decrease in trade receivables	297.98	(3,795.52)
(Increase)/ Decrease in inventories	737.82	998.01
(Increase)/ Decrease in other non current Loans/assets	(7.72)	75.52
(Increase)/ Decrease in other current financial assets	(996.59)	(1,544.89)
(Increase)/ Decrease in other current assets	(12.08)	197.77
Increase/ (Decrease) in trade payables	(866.36)	2,765.53
Increase/ (Decrease) in other financial liabilities	99.53	329.07
Increase/ (Decrease) in other current liabilities	(226.93)	(220.01)
Increase/ (Decrease) in Provisions	(69.88)	(4.58)
<b>Cash generated from operations</b>	<b>4,695.27</b>	<b>3,399.90</b>
Income taxes refunded / (paid), net	(952.91)	(634.45)
<b>Net cash generated from operating activities</b>	<b>3,742.36</b>	<b>2,765.45</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant & Equipments	(1,199.16)	(1,109.97)
Purchase of Other Intangible assets	(4.30)	(7.30)
Proceeds from sale of property, plant and equipment	115.16	402.59
Purchase of non-current investments	(449.11)	(106.90)
Dividend Income	49.92	3.71
Interest received	249.78	290.70
Increase/ (Decrease) in Other bank balances (Margin Money)	48.97	(283.99)
<b>Net cash (used in) / generated from investing activities</b>	<b>(1,188.74)</b>	<b>(811.16)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term loans	-	1,622.63
Repayment of long-term loans	(645.56)	(1,654.48)
Proceeds/(repayment) from/of working capital loans	(87.63)	(509.21)
Dividend Paid (including Dividend Distribution Tax)	(132.91)	(132.69)
Finance costs paid	(1,760.32)	(1,771.95)
<b>Net cash used in financing activities</b>	<b>(2,626.42)</b>	<b>(2,445.70)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(72.80)</b>	<b>(491.41)</b>
Cash and cash equivalents at the beginning of the year	853.27	1,344.68
Cash and cash equivalents at the end of the year	780.47	853.27
(refer Note No. 8 for break-up)	-	-

**Significant Accounting Policies** 1  
See accompanying notes to the standalone financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**  
Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**  
Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

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

**R. K. AGRAWAL**  
Company Secretary





## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### Note 1:

#### A. CORPORATE INFORMATION

Superhouse Limited ("the Company") is a public limited company having its registered office situated at 150 Feet Road, Jajmau, Kanpur – 208010 (UP).

The Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The principal activities of the Company are manufacturing and exports of Leather, Leather Goods and Textile Goods etc.

The financial statements were approved for issue in accordance with a resolution of the directors on 06.07.2019.

#### B. SIGNIFICANT ACCOUNTING POLICIES

##### 1. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

##### 2. Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans - plan assets

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

##### 3. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

##### 4. Company's financial statements are presented in Indian Rupees, which is also its functional currency.

##### 5. The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

##### 6. Revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

##### 7. Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1<sup>st</sup> April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable

that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Expenses incurred relating to project, including borrowing cost and net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

##### 8. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1<sup>st</sup> April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

##### 9. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on such cost of assets less their residual values on straight line method on the basis of estimated useful life of assets as prescribed in Schedule II of the Act.

Freehold land is not depreciated/amortised.

Assets held under financial leases are depreciated over their expected useful lives on the same basis as owned assets or, wherever shorter, the term of relevant lease.

Depreciation is calculated on a pro rata basis except that, assets costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

##### 10. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets being computer software is amortised on straight line method over the period of five years.

The Company has elected to continue with the carrying value of all of its



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

intangible assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

### 11. Impairment of tangible and intangible assets other than goodwill

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

### 12. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

#### Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

### 13. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

- Raw materials, Chemicals, Components, stores & spares and Stock in Trade – Cost includes cost of purchase (Net of recoverable taxes) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.
- Stock in process and finished goods- Direct cost plus appropriate share of overheads.

- Saleable Scrap/Waste/By products - At estimated realisable value.

- Inter unit goods transfer – transfer price

- Import Entitlement / Licences – At estimated realisable/Utilisation value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 14. Foreign Currencies

- Functional and presentation currency

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

- Transaction and balances

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

- Exchange differences pertaining to long term foreign currency loans obtained on or before March 31, 2018:
  - relating to acquisition of depreciable assets - are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.
  - Others - carried forward and amortised over the remaining period of such asset or liability since the company had opted to carry forward the same in accordance with the Companies (Accounting Standards) Amendment Rules, 2011.
  - Exchange differences pertaining to long term foreign currency loans obtained on or after April 1, 2018 is charged off or credited to profit & loss account.
  - Investment in overseas Wholly Owned Subsidiaries are carried in Balance Sheet at the rates prevailing on the dates of transaction.

### 15. Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are carried at cost less accumulated impairment, if any.

### 16. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

significant to the fair value measurement is directly or indirectly observable

- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### 17. Financial Assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

#### Debt instruments at amortised cost

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

#### Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

#### Debt instruments at Fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

#### Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The company makes such election on an

instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

#### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

### 18. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

### 19. Financial Liabilities

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

statement of profit or loss.

**Financial Liabilities at amortised cost**

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**20. Derivative financial instruments**

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

**21. Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw down occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

**22. Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

**23. Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counter party.

**24. Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**25. Provisions, Contingent liabilities and Capital Commitments**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**26. Government Grant**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in previous period(s). Such a grant is recognised in profit or loss of the period in which it becomes receivable.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets or other relevant basis.

Government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**27. Revenue Recognition****Sale of Goods and services**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when (a) control is transferred to the customer, which is mainly upon delivery in case of domestic sales and on issuance of Shipping Bill in case of export sales.

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns, rebates and discounts to customers.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales Tax/ value added tax/ Goods & Services Tax.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company has adopted Ind AS 115 using the cumulative effect method whereby the effect of applying this standard is recognised at the date of initial application (i.e. April 1, 2018). Accordingly, the comparative information in the statement of profit and loss is not restated. There is no impact of the adoption of the standard on the financial statements of the Company.

**Interest Income**

Interest income is accrued on using on a time basis by the effective interest rate with reference to the principal outstanding.

**Dividend Income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

**Export Incentives**

Export Incentives are recognised when certainty of receipt is established.

**Insurance Claim**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**Other Income**

Other income is accounted for on accrual basis except where the receipt of income is uncertain and in such cases it is accounted for on receipt basis.

**28. Employee benefits**

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through/by duly constituted and approved Trusts and the Government.

**Defined Contribution Scheme**

In case of provident fund administered through Regional Provident Fund Commissioner, the Company has no obligation, other than the contribution payable to the provident fund.

In case of members of constituted and approved trusts, the Company recognises contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India.

The Company's contributions paid / payable during the year to provident fund administered through Approved Trust, Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions.

**Defined Benefit Scheme**

Gratuity: Cost of providing the Benefit is determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined by independent actuary using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment: Leave balance as at the end of the calendar year is encashed and balance leaves earned thereafter to the extent not availed by

the employees are provided in the accounts

**29. Research and Development Expenditure**

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as fixed assets.

**30. Taxes on Income**

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

**31. Dividend Distribution**

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**32. Cash Flow Statement**

Cash flows statement is prepared as per the Indirect Method specified in Ind AS 7 on Cash Flows. Cash and cash equivalents (including bank balances) shown in statement of cash flows exclude item which are not available for general use on the date of balance sheet.

**33. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**34. Segment Reporting**

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the Company.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

2. (a) Property, plant and equipment

(Rs. In Lacs)

Particulars	Land Leasehold	Land Freehold	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Office Equipment	Computer	Vehicle	Total
<b>Gross carrying value*</b>										
<b>As at April 01, 2018</b>	1,236.22	208.16	9,089.85	876.50	9,408.06	319.13	168.31	49.69	704.33	22,060.25
Additions	-	-	169.71	14.03	1,095.94	40.87	23.73	24.03	55.64	1,423.95
Sale/(Deletions)	-	-	(33.49)	-	(79.06)	(4.55)	(1.92)	(4.74)	(17.55)	(141.31)
Adjustments	-	-	-	-	-	-	(24.06)	24.06	-	-
<b>As at March 31, 2019</b>	1,236.22	208.16	9,226.07	890.53	10,424.94	355.45	166.06	93.04	742.42	23,342.89
<b>Accumulated Depreciation/Amortisation</b>										
<b>As at April 1, 2018*</b>	26.58	-	668.74	34.16	1,729.14	86.61	83.61	13.13	235.56	2,877.53
Additions	14.24	-	341.13	17.02	836.08	43.23	25.21	18.24	108.95	1,404.10
Sale/(Deletions)	-	-	(2.65)	-	(20.34)	(0.36)	(0.57)	(1.87)	(4.53)	(30.32)
Adjustments	-	-	-	-	-	-	(24.06)	24.06	-	-
<b>As at March 31, 2019</b>	40.82	-	1,007.22	51.18	2,544.88	129.48	84.19	53.56	339.98	4,251.31
<b>Net Carrying amount (WDV)</b>										
<b>As at March 31, 2019</b>	1,195.40	208.16	8,218.85	839.35	7,880.06	225.97	81.87	39.48	402.44	19,091.58
As at March 31, 2018	1,209.64	208.16	8,421.11	842.34	7,678.92	232.52	84.70	36.56	468.77	19,182.72

\*At deemed cost as per IND-AS 101 as at 01.04.2016 and additions at cost thereafter

- (i) Building include Gross Block Rs. 30.40 Lacs (March 31, 2018 Rs. 30.40 Lacs) and Net block Rs. 20.44 Lacs (March 31, 2018 Rs. 20.88 Lacs ) in respect two flats, purchased by the company in earlier years, title deed in respect of which is yet to be executed.
- (ii) Building further include Gross Block Rs. 167.62 Lacs (March 31, 2018 Rs. 167.62 Lacs) and Net Block Rs. 123.23 Lacs (March 31, 2018 Rs. 125.74 Lacs) in respect of capital expenditure incurred by the company on rented premises.
- (iii) **Leased Assets**  
The lease term in respect of assets acquired under finance leases expires within 70 to 99 years.
- (vi) **Assets given as security for borrowings**  
All the items of Property, Plant and Equipment of the Company have been given to lenders as security for various borrowing facilities.

(b) Other Intangible assets

(Rs. in lacs)

Particulars	Computer Software	Total
<b>Gross carrying value</b>		
<b>As at April 1, 2018*</b>	42.17	42.17
Additions	4.30	4.30
Deletions	-	-
<b>As at March 31, 2019</b>	46.47	46.47
<b>Accumulated Depreciation</b>		
<b>As at 1st April, 2018*</b>	24.64	24.64
Additions	6.47	6.47
Deletions	-	-
<b>As at March 31, 2019</b>	31.11	31.11
<b>Net Carrying amount</b>		
<b>As at March 31, 2019</b>	15.36	15.36
As at March 31, 2018	17.53	17.53

2.1 The management has carried out an exercise of identifying the asset that may have been impaired, during the year, in respect of each cash generating unit. On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
<b>3. Financial Assets: Investments - Non Current</b>				
<b>Equity Shares Unquoted</b>				
<b>A. INVESTMENT IN SUBSIDIARIES</b>				
(i) Superhouse (U.K.) Ltd. Ordinary Shares of GBP 1 each fully paid	150,000	106.19	150,000	106.19
(ii) Superhouse (USA) International Inc. Non assessable Shares, no par value amounting to USD 113,070	240	50.26	240	50.26
(iii) Superhouse Middle East FZC Shares of DHR 2000 each fully paid up	100	24.19	100	24.19
(iv) Briggs Industrial Footwear Ltd. Ordinary Shares of GBP 1 each fully paid	408,441	1,344.61	408,441	1,344.61
(v) Linea De Seguridad S.L.U. Shares of Euro 6.01 each fully paid	65,260	1,697.69	61,510	1,576.39
(vi) Superhouse GMBH Share Capital Euro 25000	-	17.01	-	17.01
(vii) LA Compagnie Francaise De Protection SARL Shares of Euro 1000 each fully paid up	346	321.06	46	76.90
<b>Total - A</b>		<b>3,561.01</b>		<b>3,195.55</b>
<b>B. INVESTMENT IN ASSOCIATES</b>				
(i) Steven Construction Ltd. Equity Shares of Rs. 10/- each fully paid	2,100,000	210.00	2,100,000	210.00
(ii) Unnao Tanneries Pollution Control Company Equity Shares of Rs. 10/- each fully paid	153,080	15.31	153,080	15.31
(iii) Knowledgehouse Ltd. Equity Shares of Rs. 10/- each fully paid	860,000	86.00	860,000	86.00
(iv) Creemos International Ltd Equity Shares of Rs. 10/- each fully paid	1,254,600	184.01	836,400	100.37
(v) Amin International Ltd. Equity Shares of Rs. 10/- each fully paid	304,900	30.49	304,900	30.49
<b>Total - B</b>		<b>525.81</b>		<b>442.17</b>
<b>C. OTHERS</b>				
(i) Industrial Infrastructure Services India Equity Shares of Rs. 10/- each fully paid	185,120	18.51	185,120	18.51
(ii) Kanpur Unnao Leather Cluster Development Co. Ltd. Equity Shares of Rs. 10/- each fully paid	562,500	196.28	562,500	211.10
(iii) Rojus Enterprises Ltd. Equity Shares of Rs. 10/- each fully paid	700,000	28.03	700,000	24.29
<b>Total - C</b>		<b>242.82</b>		<b>253.90</b>
<b>Equity Shares Quoted</b>				
<b>D.</b> (i) Super Tannery Ltd. Equity Shares of Rs. 1/- each fully paid	3,000	0.07	3,000	0.14
(ii) Mideast Integrated Steels Ltd. (Delisted) Equity Shares of Rs.10/- each fully paid	20,000	-	20,000	-
(iii) Somani Iron & Steels Ltd. (Delisted) Equity Shares of Rs.10/- each fully paid	8,700	-	8,700	-
<b>Total - D</b>		<b>0.07</b>		<b>0.14</b>
Total (A+B+C+D)		4,329.71		3,891.76
Aggregate Book Value of Quoted Investments		0.07		0.14
Market Value of Quoted Investments				
Aggregate Book Value of Unquoted Investments		4,329.64		3,891.62
<b>Note:</b> Investment is net of impairment				
Aggregate impairment in Value of Investments		6.68		6.61



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>4. Financial Assets: Loans - Non Current</b>				
<i>Unsecured considered good</i>				
Loan to Subsidiaries (refer Note no. 47 (C) (iii))		18.62		23.14
Loans & Advances - Others		450.99		447.11
<b>Total</b>		<b>469.61</b>		<b>470.25</b>
<b>5. Other Non Current Assets</b>				
<i>Unsecured considered good</i>				
Capital Advance		411.70		386.44
Security Deposits		251.66		243.30
<b>Total</b>		<b>663.36</b>		<b>629.74</b>
<b>6. Inventories (At cost or net realisable value whichever is lower)</b>				
Raw Materials		3,111.72		3,337.19
Work in Progress		5,303.04		5,512.24
Finished Goods		4,013.19		4,655.43
{including stock at port Rs. 315.99 Lacs (March 2018: Rs. 258.77 Lacs)}				
Chemical, Components, Stores and spares		2,728.87		2,426.28
Import Entitlements / licences in hand		65.00		28.50
<b>Total</b>		<b>15,221.82</b>		<b>15,959.64</b>
(a) All the Inventories have been given as security for various working facilities from banks.				
(b) During the year Rs. 191.91 Lacs (previous year Rs 397.45 Lacs) was recognised as expense towards write-down of inventory.				
<b>7. Financial Assets - Current: Trade Receivable</b>				
Secured Considered Good		-		-
Unsecured Considered Good	12,780.81		13,126.52	
Unsecured which have significant increase in credit risk	132.73		220.95	
Unsecured credit impaired	29.40		17.62	
		12,942.94		13,365.09
Less: Impairment loss allowance				
Allowance for doubtful debts	132.73		220.95	
Provision for Expected Credit Loss (ECL)	29.40		17.62	
		162.13		238.57
<b>Total</b>		<b>12,780.81</b>		<b>13,126.52</b>
All the Trade Receivables have been given as security for various working facilities from banks.				
<b>8. Financial Assets - Current: Cash and Cash Equivalents</b>				
Balances with banks				
on current accounts	695.64		704.09	
on EEFC account	0.15		0.16	
		695.79		704.25
Cheques and Draft on Hand/Remittance in Transit		2.31		71.32
Cash on hand		82.37		77.70
<b>Total</b>		<b>780.47</b>		<b>853.27</b>
<b>9. Financial Assets - Current: Bank Balances other than cash and cash equivalents</b>				
(a) Margin money deposits		2,884.25		2,933.22
(restricted, held as lien against bank guarantees/LCs)				
(b) Earmarked balances with banks - Unclaimed Dividend		120.97		133.81
<b>Total</b>		<b>3,005.22</b>		<b>3,067.03</b>
<b>10. Other Current Financial Assets</b>				
<i>Unsecured considered good</i>				
(a) Interest accrued on deposits		177.62		134.55
(b) Export Incentive receivable		1,053.98		1,028.10
(c) Other claims receivable		680.27		52.71
(d) Balance with Govt/Revenue authority		1,915.04		1,614.96
<b>Total</b>		<b>3,826.91</b>		<b>2,830.32</b>





NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>11. Other Current Assets</b>				
<i>Unsecured considered good</i>				
(a) Advances to trade creditors		533.66		546.70
(b) Advance recoverable in cash or kind or for value to be received		405.96		386.75
(c) Prepaid expenses		132.27		126.36
<b>Total</b>		<b>1,071.89</b>		<b>1,059.81</b>

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
<b>12. Equity Share Capital</b>				
<b>Authorised</b>				
Equity Shares of Rs. 10/-each	15,000,000	1,500.00	15,000,000	1,500.00
<b>Issued</b>				
Equity Shares of Rs. 10/-each	14,972,718	1,497.27	14,972,718	1,497.27
<b>Subscribed and fully paid-up</b>				
Equity Shares of Rs. 10/-each	11,025,000	1,102.50	11,025,000	1,102.50
Add: Equity Shares Forfeited (Amount originally paid-up)	3,947,718	39.48	3,947,718	39.48
<b>Total</b>	<b>14,972,718</b>	<b>1,141.98</b>	<b>14,972,718</b>	<b>1,141.98</b>
<b>(A) Reconciliation of the number of equity shares and share capital</b>				
<i>Subscribed and fully paid-up equity shares</i>				
Outstanding at the beginning of the year	11,025,000	1,102.50	11,025,000	1,102.50
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<b>11,025,000</b>	<b>1,102.50</b>	<b>11,025,000</b>	<b>1,102.50</b>

**(B) Terms and rights attached to equity shares**

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(C) Details of shareholders holding more than 5% shares in the company**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	%	No. of Shares	%
Mr. Mukhtarul Amin	1,324,487	12.01%	1,324,487	12.01%
Steven Construction Limited	1,315,119	11.93%	1,315,119	11.93%

Particulars	2018 - 19 (No. of Shares)		2017 - 18 (No. of Shares)	
	No. of Shares	%	No. of Shares	%
<b>(D)</b> Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the immediately preceding five years	NIL		NIL	
<b>(E)</b> Equity Shares allotted as fully paid up Bonus Shares during the immediately preceding five years	NIL		NIL	
<b>(F)</b> Equity shares buy-back in immediately preceding five years	NIL		NIL	
<b>(G)</b> Shares held by holding/ultimate holding company and/or their subsidiaries/ associates	NIL		NIL	

**(H)** During the year ended March 31, 2019, the company has paid the final dividend of Rs. 1.00 per equity share for the year ended March 31, 2018 amounting to Rs. 110.25 Lacs and Dividend distribution tax of Rs. 22.66 Lacs.

**(I)** The Board of Directors has recommended for approval of share holders, final dividend of Rs. 1.00 per shares. On approval, total dividend payment is expected to be Rs. 110.25 Lacs and payment of Dividend Distribution Tax is expected to be Rs. 22.66 Lacs.



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>13. Other equity</b>				
Capital Reserve		1,019.96		1,019.96
Securities Premium		1,787.21		1,787.21
General Reserve		9,400.00		9,200.00
Other Comprehensive income		115.55		126.64
Retained Earnings		15,371.49		13,794.04
<b>Total</b>		<b>27,694.21</b>		<b>25,927.85</b>

**(A) Capital Reserve**

It represent the gain of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the company for business combination in earlier years.

**(B) Securities Premium**

Securities premium is used to record the premium on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

**(C) General Reserve**

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**(D) Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends paid or other distributions out of reserves to shareholders.

**(E) Other Comprehensive Income - Others**

It represent gain/(loss) on Unquoted Long Term Investments recognised on fair value through other comprehensive income.

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>14. Financial Liabilities - Non-current: Borrowings</b>				
Secured				
(a) Term loans from banks - INR		2,747.11		2,986.50
(b) Term loans from banks - Foreign Currency		-		153.38
(c) Vehicle Term loans from banks - INR		25.84		11.71
<b>Total</b>		<b>2,772.95</b>		<b>3,151.59</b>
Amount of default as on the Balance Sheet date:				
(a) Repayment of loan		NIL		NIL
(b) Interest on Loan		NIL		NIL

**Repayment terms:**

- (a) Secured rupee term loans from banks: Structured Quarterly Instalments
- (b) Secured foreign currency term loan from bank are as sub limit of INR term loan and are rolled over at interval of six months and one year. As at the end of the year there is NIL outstanding.
- (c) The classification of loans between current liabilities and non-current liabilities continues based on repayment schedule under respective loan agreements as no loans have been recalled due to non compliance of conditions under any of the loan agreements.
- (d) Interest rates: Loans availed from banks in INR carry interest rate ranging from 9.50% to 10.65% (March 31, 2018 9.50% to 10.70% ) for term loans and in respect of Foreign Currency it ranges from LIBOR plus 3.25% to 4.00% (March 31, 2018 LIBOR plus 3.25% to 4.00%)
- (e) Scheduled repayments: Contractual repayments in case of loans from banks (including Current maturities disclosed under other Current financial liabilities:

Upto three years	3,862.43	3,491.11
Between three to five years	49.99	1,066.87
Over five years	-	-

Refer note 40(b) (II) & (III) on Interest rate risk and Liquidity Risk respectively.

**Security details:**

**Term Loan other than Vehicle Loans**

Aforesaid Term Loans are secured by hypothecation/mortgage of company's moveable and im-moveable properties. Further secured by the personal guarantee of three promoter Directors of the company.

**Vehicle Loans**

Secured by hypothecation of vehicle financed.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>15. Deferred tax liabilities (Net)</b>				
<i>Tax effect of items constituting deferred tax liability</i>				
On difference between book balance and tax balance of fixed assets		2,041.30		1,949.83
Total Tax effect of items constituting deferred tax liability		<u>2,041.30</u>		<u>1,949.83</u>
<i>Tax effect of items constituting deferred tax assets</i>				
Provision for gratuity		24.15		48.16
Government grant		87.13		113.82
Provision for Bad Debts		56.65		76.53
Others		<u>42.92</u>		<u>29.32</u>
Total Tax effect of items constituting deferred tax assets		<u>210.85</u>		<u>267.83</u>
Net Deferred Tax Liability		1,830.45		1,682.00
<b>16. Other Non-current Liabilities</b>				
Deferred Grant Revenue				
(a) Govt Grant under IDLS		132.63		183.29
(b) EPCG Obligations		116.70		145.58
<b>Total</b>		<u><b>249.33</b></u>		<u><b>328.87</b></u>

- (a) Government Grant under IDLS, the deferred grant income is recognized in Statement of Profit and Loss on a systematic basis over the useful life of asset on which such grant is received subject to compliance of other terms & conditions of the scheme.
- (b) Under EPCG scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time apart from maintaining average export growth. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. The deferred grant income is recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

<b>17. Financial Liabilities - Current: Borrowings</b>				
Secured				
Working Capital Loan from banks				
(a) Indian rupee loan from bank(s)	13,697.32		13,337.18	
(b) Foreign currency loan from bank (s)	-	13,697.32	<u>358.55</u>	13,695.73
Buyers Credit (Foreign Currency Loan) from banks				
(a) for Raw Materials, Stores and spares	-	-	<u>89.22</u>	89.22
<b>Total</b>		<u><b>13,697.32</b></u>		<u><b>13,784.95</b></u>
Amount of default as on the Balance Sheet date:				
(a) Repayment of loan		NIL		NIL
(b) Interest on Loan		NIL		NIL

**(A) Security**

Working Capital Loans are primarily secured by hypothecation of present and future Current Assets and Actionable Claims (viz. Inventories, trade receivable / book debts, outstanding monies, receivable claims, bills and materials in transit).

These are further collaterally secured by extension of charge over moveable and immoveable properties of the company.

Further secured by personal guarantee of three promoter directors of the company.

**(B) Rate of Interest**

INR working capital credit facilities carry interest rates ranging from 8.70% to 10.10% (as at March 31, 2018 from 8.55% to 11.85%). Foreign Currency working capital demand loan carries interest of LIBOR plus 3.25% p.a.

- (C) Buyers Credit is secured by Bank Guarantee issued within the limit sanctioned to the company and it carries interest of variable spread over the LIBOR corresponding to the period of tenure of the buyer credit (effective rate ranges from 1.50% to 2.00% p.a.).

<b>18. Financial Liabilities - Current: Trade Payable</b>				
(a) Dues to micro enterprises and small enterprises (refer note below)		331.25		-
(b) Due to creditors other than micro enterprises and small enterprises		10,745.79		11,943.40
<b>Total</b>		<u><b>11,077.04</b></u>		<u><b>11,943.40</b></u>

**Note:** The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act). According to the information available with the company, the following disclosures has been made in respect of dues to Micro and Small Enterprises:



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs		Rs. in Lacs	
(a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of the year (over due and unpaid)				
Principal Amount		331.25		NIL
Interest due on above		3.07		NIL
(b) Amount of interest paid by the company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year		NIL		NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act		6.00		NIL
(d) the amount of interest accrued and remaining unpaid at the end of the year		NIL		NIL
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act		NIL		NIL

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>19. Financial Liabilities - Current: Other Financial Liabilities</b>				
(a) Current maturities of long term borrowings		1,139.47		1,406.39
(b) Interest accrued and due on borrowings		28.81		34.62
(c) Interest accrued but not due on borrowings		0.44		0.57
(d) Book overdraft from banks		158.90		179.31
(e) Unclaimed Dividend *		120.97		133.81
(f) Other Liabilities		1,948.82		1,822.94
<b>Total</b>		<b>3,397.41</b>		<b>3,577.64</b>

\* Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 126 of the Companies Act, 2013

<b>20. Other Current Liabilities</b>				
(a) Advance from customers		202.28		429.21
(b) Advance against sale of fixed assets		6.00		1.00
(c) Creditors for capital goods		13.77		52.72
<b>Total</b>		<b>222.05</b>		<b>482.93</b>
<b>21. Current Liabilities: Provisions</b>				
(a) Provision for Gratuity		69.10		139.18
(b) Provision for Leave Encashment		84.92		84.72
<b>Total</b>		<b>154.02</b>		<b>223.90</b>

Particulars	2018-19		2017-18	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>22. Revenue from operations</b>				
(a) Sales / Income from operations				
Sales (Export)	45,843.51		43,491.20	
Exchange Fluctuation on Sales (Export)	17.58		417.76	
Sales (Indigenous)	10,891.23		9,032.06	
{refer Note (d) below for break-up}		56,752.32		52,941.02
(b) Other operating revenue				
Export Incentives {refer Note (e) below for break-up}		2,658.64		3,428.88
<b>Total Revenue from operations (gross)</b>		<b>59,410.96</b>		<b>56,369.90</b>

(c) Revenue from operations for periods upto 30th June, 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with Ind AS GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended March 31, 2018 (being inclusive of excise duty for the period from April 17 to June 17) is not comparable with the current year. However, it has no effect on profits for the year. Amount of such excise duty for the current year is Rs. NIL (previous year Rs. 64.35 Lacs).



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	2018-19		2017-18	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(d) <u>Breakup of Sales</u>				
(i) Leather Foot wear		30,275.17		26,307.92
(ii) Finished Leather		14,068.79		14,324.36
(iii) Leather Shoe Upper		1,265.02		248.10
(iv) Other Leather Products		2,764.16		2,339.32
(v) Textile Products		7,883.23		9,432.88
(vi) Others		495.95		288.44
<b>Total</b>		<b>56,752.32</b>		<b>52,941.02</b>
(e) <u>Details of other operating revenue</u>				
Export Incentives				
(i) Duty Draw Back / ROSL		1,246.00		2,076.48
(ii) Licences/Entitlements		1,412.64		1,352.40
<b>Total</b>		<b>2,658.64</b>		<b>3,428.88</b>
<b>23. Other Income</b>				
Interest income				
- from Fixed Deposit with Banks	215.74		194.48	
- from Others	34.04		96.22	
		249.78		290.70
Miscellaneous Income		192.05		196.81
Deferred revenue on EPCG & IDLS Subsidy		85.80		38.36
Liabilities/provisions no longer required		20.06		15.24
Exchange Difference (net)		(38.48)		215.30
Dividend income				
- from subsidiary companies		49.92		3.71
Commission on Corporate Guarantee from Subsidiaries		9.11		13.46
Fair value gain on quoted investments		(0.07)		0.01
Profit on Sale of Property, Plant & equipments		21.73		451.39
Rent		30.11		26.69
<b>Total</b>		<b>620.01</b>		<b>1,251.67</b>
<b>24. Cost of material consumed</b>				
<u>Raw Material consumed</u>				
(a) Finished Leather	3,562.82		3,523.30	
(b) Raw Hide/Skin	6,456.41		7,367.88	
(c) Fabric & Yarn	3,572.73		4,143.51	
(d) Sole	3,204.52		2,073.78	
(e) PU / PVC Compound	1,506.68		1,409.25	
(f) Others	448.02		304.87	
Raw Material consumed		18,751.18		18,822.59
Chemicals, Components and Spare Parts consumed		10,969.32		9,698.18
Packing Material consumed		1,631.83		1,399.88
<b>Total</b>		<b>31,352.33</b>		<b>29,920.65</b>
<b>25. Purchase of stock in trade</b>				
(a) Leather Foot wear		1,052.67		549.21
(b) Finished Leather		1,637.38		2,087.81
(c) Other Leather Products		342.89		61.96
(d) Textile Products		16.14		14.32
(E) Others		168.41		-
<b>Total</b>		<b>3,217.49</b>		<b>2,713.30</b>



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	2018-19		2017-18	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>26. Increase/decrease in Inventories</b>				
Inventories at the commencement of the year				
(a) Finished Goods	4,655.43		5,755.58	
(b) Work in process	5,512.24		5,446.67	
(c) Import Entitlements/Licenses in hand	28.50		391.42	
<b>TOTAL 'A'</b>		<b>10,196.17</b>		<b>11,593.67</b>
Inventories at the end of the year				
(a) Finished Goods	4,013.19		4,655.43	
(b) Work in process	5,303.04		5,512.24	
(c) Import Entitlements/Licenses in hand	65.00		28.50	
<b>TOTAL 'B'</b>		<b>9,381.23</b>		<b>10,196.17</b>
Decrease/(Increase) in Stocks (A-B)		814.94		1,397.50
Less: Stock lost by fire {see Note (a) below}		491.15		-
<b>Decrease/(Increase) in Stocks (Net)</b>		<b>323.79</b>		<b>1,397.50</b>
(a) The claim has been lodged and is under process. Management is confident of receiving the full amount of insurance claim and no provision is required there against.				
<b>27. Employee benefit expense</b>				
Salary, Wages and Bonus		3,138.14		3,363.24
Directors Remuneration (including Sitting Fee)		291.06		248.57
Contribution to Provident and other funds		316.93		308.44
Contribution to Gratuity Fund		80.65		115.11
Workmen and Staff Welfare expenses		237.08		227.34
<b>Total</b>		<b>4,063.86</b>		<b>4,262.70</b>
<b>28. Finance cost</b>				
Interest on				
- Term Loan	398.26		438.41	
- Others	980.31		938.05	
Exchange fluctuation to the extent to be regarded as adjustment to interest cost	20.86		101.44	
	1,399.43		1,477.90	
Less: Interest capitalised	5.66		14.11	
		1,393.77		1,463.79
Bank Charges		366.55		336.32
<b>Total</b>		<b>1,760.32</b>		<b>1,800.11</b>
<b>29. Depreciation and Amortisation Expenses</b>				
Depreciation/Amortisation on Tangible Assets		1,404.10		1,457.86
Amortisation of Intangible assets		6.47		11.71
<b>Total</b>		<b>1,410.57</b>		<b>1,469.57</b>
<b>30. Other expenses</b>				
Manufacturing Expenses				
Consumable Stores	418.87		587.71	
Production Charges	5,833.04		5,062.51	
Job Work Charges	550.85		621.07	
Power and Fuel	1,676.54		1,558.53	
Excise Duty on sales	-		64.35	
Effluent Treatment Expenses	94.96		111.89	
Repairs and Maintenance				
- Building	177.67		167.15	
- Machinery	421.61		358.08	
		9,173.54		8,531.29
Selling and Distribution Expenses				
Freight, Handling and Other Sales and Distribution Expenses	2,065.94		1,986.78	
Commission on Sale	1,687.68		1,603.17	
Advertisement and Publicity	40.76		25.42	
Bad Debts - Provision/write off (including ECL provision)	47.73		129.53	
		3,842.11		3,744.90



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	2018-19		2017-18	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Establishment Expenses				
Rent	96.88		36.88	
Rates and Taxes	67.86		92.15	
Insurance	161.16		160.05	
Communication cost	118.19		128.41	
Travelling and Conveyance	399.40		458.33	
Vehicle Running and Maintenance	230.80		220.40	
Repairs and Maintenance - Others	333.29		234.43	
Printing and Stationery	63.76		56.52	
Legal and Professional Charges	117.91		114.04	
Auditor's Remuneration {refer Note (a) below}	8.50		8.50	
Miscellaneous Expenses	241.98		173.78	
Research & Development Expenses	45.66		42.02	
Charity and Donation	12.75		9.53	
Loss on Sale of Fixed Assets	22.56		16.42	
Corporate Social Responsibility Expenses	55.75		76.15	
		1,976.45		1,827.61
<b>Total</b>		<b>14,992.10</b>		<b>14,103.80</b>
<b>(a) Auditor's remuneration comprises:</b>				
As auditor		8.50		8.50
For other services		-		-
		<b>8.50</b>		<b>8.50</b>
<b>31. Earning per share (EPS)</b>				
(a) Profit for the year (Rs. In Lacs)		1,913.84		1,289.45
(b) Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS		11,025,000		11,025,000
(c) Nominal value of equity shares (Rupees)		17.36		11.70
(d) EPS- Basic and diluted (Rupees per share)				
<b>32. Capital and other commitments</b>				
i. Estimated value of contracts remaining to be executed on capital account (net of advances)		16.29		NIL
ii. Company has given undertaking to bankers for non disposal of Investments in case of following subsidiary: - Linea De Seguridad S.L.U., Spain		1,697.69		1,576.39
<b>33. Contingent liabilities</b>				
i. Claim against the company not acknowledged as debt		28.00		152.97
ii. Contingent Liabilities in respect of:				
(a) Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K., UAE and Spain		777.56		855.29
(b) Letter of Credit opened and outstanding		1,016.23		2,035.25
(c) The detail of disputed dues (net of amounts paid) as per the clause 3 (vii)(b) of Section 143 (11) of the Companies Act, 2013				

Nature of Dues & Forum where dispute is pending	Period to which relates	March 31, 2019 Rs. in Lacs	March 31, 2018 Rs. in Lacs
Finance Act 1994 - Service Tax CESTAT, Allahabad Bench	2009-10 to 2014-15	NIL	656.72
Entry Tax:			
Joint Commissioner of Trade Tax, Kanpur	2005-2006	5.87	5.87
UP Trade Tax and Central Sales Tax:			
Joint Commissioner of Trade Tax, Kanpur	2005-2006	0.28	0.28
Addl. Commissioner of Trade Tax, Kanpur	2011-2012	1.28	NIL
Addl. Commissioner of Trade Tax, Kanpur	2012-2013	1.29	NIL
Addl. Commissioner of Trade Tax, Kanpur	2015-2016	17.10	NIL
Above claims are likely to be decided in favour of the company, hence not provided for.			



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**34. Disclosure pursuant to Ind AS 19 "Employee Benefits":**

**(a) Defined Contribution Plan**

The employees of the Company are members of a state-managed retirement benefit plans namely Provident fund and Pension and Employee State Insurance (ESI) operated by the Government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit and ESI schemes.

The only obligation of the company with respect to such retirement and other benefit plan is to make the specified contributions.

The Company has recognized the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (refer note 27)

Particulars	Rs. in Lacs	
	2018-19	2017-18
Employer's contribution to PF and FPF	221.67	229.18
Employer's contribution to ESIC	95.26	79.26
<b>Total</b>	<b>316.93</b>	<b>308.44</b>

**(b) Defined Benefit Plan**

The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with LIC. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Rs. in Lacs	
	Gratuity (Funded) March 31, 2019	Gratuity (Funded) March 31, 2018
<b>(A) Movements in present value of defined benefit obligation</b>		
Obligations as at beginning of the year	698.59	634.14
Current service cost	69.18	70.18
Interest cost	53.79	46.48
Past Service Cost	-	38.16
Plan amendment	-	-
Remeasurement {or Actuarial (gain)/Loss} arising from		
- change in demographic assumption	-	-
- change in financial assumption	11.30	(20.81)
- experience variance	(12.57)	0.44
- others	-	-
Benefits paid	(77.01)	(70.00)
Present value of defined benefit obligation as at end of the year	743.28	698.59
<b>(B) Movements in the fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	559.42	541.73
Investment Income	43.07	39.71
Return on plan assets, excluding amount recognised in net Interest expense	(6.30)	(6.77)
Actual contributions by the employer	155.00	54.75
Employee contribution	-	-
Benefits paid	(77.01)	(70.00)
Fair value of plan assets as at end of the year	674.18	559.42
<b>(C) Amount recognized in the balance sheet</b>		
Present value of defined benefit obligation as at end of the year	743.28	698.59
Fair value of plan assets as at end of the year	674.18	559.42
Funded status {Surplus/(deficit)}	(69.10)	(139.17)
Unrecognised past service cost	-	-
Net asset/(liability) recognised in balance sheet	(69.10)	(139.17)
Net asset/(liability) recognised in balance sheet at beginning of the year	(139.17)	(92.41)
Expense recognised in Statement of Profit and Loss	75.48	115.11
Expense recognised in Other Comprehensive Income	5.03	(13.60)
Actual contributions by the employer	155.00	54.75
Net acquisition/business combination	-	-
Net asset/(liability) recognised in balance sheet at end of the year	(64.68)	(139.17)
<b>(D) Amounts recognized in the statement of profit and loss</b>		
Current service cost	69.18	70.18
Interest cost	6.30	6.77
Loss/(gain) on settlement	-	-
Past service cost	-	38.16
<b>Total</b>	<b>75.48</b>	<b>115.11</b>





NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Rs. in Lacs	
	Gratuity (Funded) March 31, 2019	Gratuity (Funded) March 31, 2018
<b>(E) Amounts recognised in other comprehensive income</b>		
Actuarial (gain) / loss due to		
- change in demographic assumption	-	-
- change in financial assumption	11.30	(20.81)
- experience variance	(12.57)	0.44
- others	-	-
Return on plan assets, excluding amount recognised in net Interest expense	6.30	6.77
Remeasurement (or actuarial (gain)/loss) arising due to asset ceiling	-	-
<b>Total</b>	<b>5.03</b>	<b>(13.60)</b>
<b>(F) Category of plan assets</b>		
Funds managed by Insurer	100%	100%
<b>(G) Sensitivity analysis</b>		
DBO on base assumptions	743.28	698.59
A. Discount Rate		
1. Effect due to 1.00% increase in discount rate	-7.19% 689.84	-7.41% 646.85
2. Effect due to 1.00% decrease in discount rate	8.29% 804.92	8.57% 758.44
B. Salary Escalation Rate		
1. Effect due to 1.00% increase in salary escalation rate	8.39% 805.65	8.68% 759.25
2. Effect due to 1.00% decrease in salary escalation rate	-7.39% 688.38	-7.62% 645.37
C. Withdrawal Rate		
1. Effect due to 50% increase in withdrawal rate	1.59% 755.13	1.85% 711.48
2. Effect due to 50% decrease in withdrawal rate	-1.78% 730.02	-2.07% 684.13
D. Mortality Rate		
1. Effect due to 10% increase in mortality rate	0.30% 745.49	0.36% 701.11
2. Effect due to 10% decrease in mortality rate	-0.30% 741.04	-0.37% 696.02

**(H) Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.

These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

**(I) Actuarial assumptions**

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

- i) General assumptions
  - Discount rate (per annum) 7.50% 7.70%
  - Withdrawal rate 2.00% 2.00%
  - Rate of increase in compensation 5.00% 5.00%
- ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2006-08) Ultimate.
- iii) Leave policy: Leave balance as at the end of the calendar year is encashed and balance leaves earned thereafter to the extent not availed by the employees are provided in the accounts.
- iv) The discount rate should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- v) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.
- vi) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.
- vii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- viii) Short term compensated absences have been provided on actual basis.

**35. Disclosure as per clause 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 186 (4) of the Companies Act, 2013:**

**(a) Loans and Advances:**

Name of the company	Relationship	(Rs. In Lacs)			
		Amount Outstanding as on March 31		Maximum outstanding during the year	
		2019	2018	2018-19	2017-18
Superhouse (USA) International Inc.	WOS	-	3.90	4.27	3.91
Linea De Seguridad SLU, Spain	WOS	18.62	19.24	19.24	19.24
Mayfair Leather Exports Limited	NA	440.91	263.26	563.26	264.02

\* Above balance include interest accrued wherever charged on Loans.

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



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

- b) **Investments:** refer Note No. 3 (A) & (B)
- c) **Guarantee given**

The company has given corporate guarantee, for securing the credit facilities (Term Loans, Working Capital Loans and other Non Fund Based credit facilities) availed by WOS from Bank(s), aggregating to Rs. 1049.52 Lacs (as at 31.03.2018 Rs. 1128.27 Lacs). The details are as under:

Particulars	Currency	(Foreign Currency in Lacs)	
		31.03.2019	31.03.2018
Superhouse (U.K.) Ltd., UK	GBP	2.90	2.90
Superhouse Middle East FZC, Azman	AED	15.00	35.00
Linea De Seguridad S.L.U., Spain	Euro	3.00	3.00

- d) **Security provided:**

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

- 36. The company has investment of Rs. 1,697.69 Lacs as at 31.03.2019 (As at 31.03.2018 Rs. 1576.39 Lacs ) in the shares of Linea De Seguridad SLU, a wholly owned subsidiary of the company (WOS). Further the company has Trade Receivable amounting to Rs. 254.27 Lacs (As at 31.03.2018 Rs. 820.84 Lacs) & Advance of Rs. 18.62 Lacs (As at 31.03.2018 Rs. 19.24 Lacs) from/to the WOS. The net worth of WOS has substantially eroded due to operational losses and in view of the fact, the management has considered that there may be possibility of impairment in carrying value of investment. Accordingly, the management has performed an impairment assessment and estimated the recoverable amount of its Investment in WOS using 'Discounted Cash Flow Valuation Model' (DCF). DCF is complex and involve the use of significant estimates and assumptions of the management that are dependent on expected future market and economic conditions. As per the assessment done by the management and valuation specialist there is no impairment, accordingly, no provision is considered necessary for any diminution in value of investment.

- 37. **Expenditure on Corporate Social Responsibility (CSR)**

"In pursuance of the provisions of the Companies Act, 2013 and CSR Policy of the Company it is required to spend two percent of the average net profits for the three immediately preceding financial years towards CSR activities."

Since the company has earned profits in preceding previous years, gross amount required to be spent by the company towards CSR activities during the year is Rs. 55.22 Lacs. (previous year Rs. 76.13 Lacs)

The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is Rs. 55.75 Lacs (previous year: Rs. 76.15 Lacs) detailed as under:

Particulars	Rs. In Lacs					
	2018-19			2017-18		
	Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
CSR Expenditure	55.75	-	55.75	24.50	51.65	76.15
<b>Total</b>	<b>55.75</b>	<b>-</b>	<b>55.75</b>	<b>24.50</b>	<b>51.65</b>	<b>76.15</b>

- 38. **Expenditure on Research and Development**

Particulars	2018-19		2017-18	
Capital Expenditure	-	-	-	-
Revenue Expenditure	45.66	-	42.02	-
<b>Total</b>	<b>45.66</b>	<b>-</b>	<b>42.02</b>	<b>-</b>

- 39. **Disclosure pursuant to Ind AS 17 "Leases":**

- (a) **Where the company is Lessor**

- i. **Operating Lease:**

The company has not entered into any non-cancellable Operating Lease. The company has given Building and Factory and Plant & Machinery on cancellable operating lease. The details are as under:

Particulars	Rs. In Lacs			
	Building Factory		Plant and Machinery	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
- Net Carrying amount (WDV) as at the Balance Sheet date	16.51	18.00	14.06	14.06
- Contingent Rent recognised as Income in Statement of Profit and Loss of the year	NIL	NIL	NIL	NIL

- ii. **Finance Lease:** The Company has not entered into any finance lease.

- (b) **Where the company is Lessee**

- i. **Finance Lease:**

The company has finance lease arrangement for various land leases for terms of 30 years and 90 years . The details are as under:

Particulars	Rs. In Lacs	
	Land Leasehold	
	31.03.2019	31.03.2018
- Net Carrying amount (WDV) as at the Balance Sheet date	1,195.40	1,209.64
- Contingent Rent recognised as expense in Statement of Profit and Loss of the year	NIL	NIL

- ii. **Operating Lease:** The Company has not entered into any non-cancellable operating leases.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

40. Financial Instruments

(i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company."

The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

Particulars	(Rs. In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Debt	17,609.74	18,342.93
Less: Cash and cash equivalent	780.47	853.27
Net debt (A)	16,829.27	17,489.66
Total equity (B)	28,836.19	27,069.83
Debt Equity Ratio (A/B)	0.58	0.65

(ii) Categories of financial instruments

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.
- Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Particulars	(Rs. In Lacs)			
	As at March 31, 2019		As at March 31, 2018	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>				
Financial assets measured at fair value				
Investments measured at				
i. Fair value through other comprehensive income		242.82		253.90
ii. Fair value through profit and loss		0.07		0.14
Financial assets measured at amortized cost				
Trade Receivables	12,780.81		13,126.52	
Cash and cash equivalents	780.47		853.27	
Bank balances other than cash and cash equivalents	3,005.22		3,067.03	
Other financial assets	3,826.91		2,830.32	
<b>Total</b>	<b>20,393.41</b>	<b>242.89</b>	<b>19,877.14</b>	<b>254.04</b>
<b>Financial Liabilities</b>				
Financial liabilities measured at amortized cost				
Borrowings	17,609.74	-	18,342.93	-
Trade payables	11,077.04	-	11,943.40	-
<b>Other financial liabilities</b>	<b>2,257.94</b>	<b>-</b>	<b>2,171.25</b>	<b>-</b>
<b>Total</b>	<b>30,944.72</b>	<b>-</b>	<b>32,457.58</b>	<b>-</b>

(iii) Income, expenses, gains or losses on financial instruments

Particulars	Rs. In Lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Financial assets measured at amortized cost		
Allowances for doubtful receivables	11.78	5.23
Financial assets measured at fair value through Profit and Loss		
- Fair value gain/ (loss) on investments in equity instruments	(0.07)	0.01
- Fair value gain/ (loss) on investments in debt instruments	-	-
Financial assets measured at fair value through Other Comprehensive Income		
- Fair value gain/ (loss) on investments in equity instruments	(11.09)	126.64



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Particulars	(Rs. In Lacs)			
	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
<b>Assets at fair value</b>				
Investments measured at				
i. Fair value through other comprehensive income	-	NA	242.82	242.82
ii. Fair value through profit and loss	0.07	NA	-	0.07
As at March 31, 2018				
<b>Assets at fair value</b>				
Investments measured at				
i. Fair value through other comprehensive income	-	NA	253.90	253.90
ii. Fair value through profit and loss	0.14	NA	-	0.14

**(iv) Financial risk management objectives:**

The Company's principal financial liabilities comprise of loan from banks and financial institutions, and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

**(a) Credit risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

**Trade and Other receivables**

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term upto 150 days. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

**Expected credit loss assessment for customers:**

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	(Rs. In Lacs)	
	2018-19	2017-18
Opening Balance	238.57	151.19
Impairment loss as per ECL recognised/(reversed)	11.78	5.23
Additional Provision	-	124.30
Amounts written off / reversed as bad debts	(88.22)	(42.15)
<b>Closing Balance</b>	<b>162.13</b>	<b>238.57</b>

**Other financial assets**

The Company maintains exposure in cash and cash equivalents, term deposits with banks and derivative contracts.

The Company held cash and cash equivalents of Rs. 780.47 Lacs at March 31, 2019 (March 31, 2018: Rs. 853.27 Lacs). Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

**(b) Market risk:**

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

**(i) Foreign currency risk**

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Company's exposure is mainly denominated in USD, GBP and Euro. The exchange rates have changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks. The Company uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rate.

The Company do not use derivative financial instruments for trading or speculative purposes.



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**(II) Interest rate risk:**

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

**Interest rate sensitivity analysis:**

As at March 31, 2019 interest bearing financial liability (secured loan from banks) stood at Rs. 17,609.74 Lacs, was subject to variable interest rates. Increase/decrease of 50 basis points in interest rates at the balance sheet date would result in decrease/increase in profit before tax of Rs. 88.05 Lacs.

"The risk estimates provided assume a parallel shift of 50 basis points interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant."

**Fair value of financial instruments:**

All financial assets are initially recognized at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non – derivative financial assets are carried at fair value, gains and losses on re- measurement are recognized directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognized directly in the standalone statement of profit and loss. Financial assets are designated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognized at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortized cost.

**(III) Liquidity risk:**

The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has a overdraft facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

Liquidity table:

Liquidity tables drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay is disclosed at Note no. 50.

**(IV) Other price risk:**

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2019. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

**(V) Equity price sensitivity analysis:**

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

**41. Disclosure pursuant to Ind AS 27 "Separate Financial Statements"**

Investments in following subsidiaries and associates is accounted at cost:

S. No.	Name of Subsidiary company / Associate Company	Principal place of business	As at March 31, 2019		As at March 31, 2018	
			Effective proportion of ownership interest (%)	Effective proportion of voting power interest (%)	Effective proportion of ownership interest (%)	Effective proportion of voting power interest (%)
<b>(A)</b>	<b><u>Wholly Owned Subsidiaries (Foreign)</u></b>					
i.	Superhouse (U.K.) Ltd.	UK	100%	100%	100%	100%
ii.	Superhouse (USA) International Inc.	USA	100%	100%	100%	100%
iii.	Superhouse Middle East FZC, Azman	Azman	100%	100%	100%	100%
iv.	Briggs Industrial Footwear Ltd.	UK	100%	100%	100%	100%
v.	Linea De Seguridad S.L.U.	Spain	100%	100%	100%	100%
vi.	Superhouse GMBH	Germany	100%	100%	100%	100%
vii.	La Compagnie Francaise De Protection SRL	France	100%	100%	100%	100%
<b>(B)</b>	<b><u>Associate Companies</u></b>					
i.	Unnao Tanneries Pollution Control Co.	India	34.05%	34.05%	34.05%	34.05%
ii.	Steven Construction Ltd.	India	46.67%	46.67%	46.67%	46.67%
iii.	Amin International Ltd.	India	31.13%	31.13%	31.13%	31.13%
iv.	Knowledgehouse Ltd.	India	31.85%	31.85%	31.85%	31.85%
v.	Creemos International Ltd.	India	48.63%	48.63%	48.63%	48.63%

42. There is no amount due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2019.

43. Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent assets":

The company has recognised contingent liabilities as disclosed in Note 33 above and as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the year.

44. Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

There are no such asset held for sale and discontinued operations.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

45. Tax Expenses

(a) Amounts recognized in profit and loss		(Rs. In Lacs)	
Particulars	2018-19	2017-18	
<b>Current tax expense</b>			
Current year	860.00	582.00	
Changes in estimates relating to prior years	(13.33)	0.39	
	846.67	582.39	
<b>Deferred tax expense</b>			
Origination and reversal of temporary differences	150.00	82.10	
Change in tax rate	-	-	
Recognition of previously unrecognized tax losses	-	-	
	150.00	82.10	
Tax expense recognized in the income statement	996.67	664.49	
<b>(b) Amounts recognized in other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	(5.03)	13.60	
Tax Expense/Benefit	(1.55)	4.71	
Net of Tax	(3.48)	8.89	
<b>(c) Reconciliation of tax expense and accounting profit multiplied by domestic tax rate applicable in India:</b>			
Profit before tax		2,910.51	1,953.94
Corporate tax rate as per Income Tax Act, 1961	34.94%		34.61%
Tax on Accounting profit		1017.05	676.26
(i) Tax on income exempt from tax:			
(A) Dividend income		-	-0.04
(ii) Tax on expenses not tax deductible:			
(A) CSR expenses		19.48	23.76
(B) Expenses in relation to exempt income		1.98	1.80
(C) Tax on other expenses		25.56	7.35
(iii) Tax effect on lower tax rate income- Dividend from WOS		(8.72)	(0.64)
(iv) Tax effect on Long term capital Gain		-	(32.70)
(v) Tax effect on various other items including excess/ short provision of earlier years		(58.68)	(11.30)
Total effect of tax adjustments [(i) to (v)]		(20.38)	(11.77)
Tax expense recognised during the year		996.67	664.49
Effective tax rate	34.24%	-	34.01%
(d) (i) Unused tax losses for which no deferred tax asset is recognised in the Balance Sheet			NIL
(ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet			NIL

(e) Components of deferred tax (assets) and liabilities recognised in Balance Sheet and Statement of Profit or Loss:

Particulars	Balance Sheet as at			Statement of Profit & Loss	
	31.03.19	31.03.18	01.04.17	2018-19	2017-18
Difference between book balance and tax balance of fixed assets	2,041.30	1,949.83	1,825.13	91.47	124.70
Provision for gratuity	(24.15)	(48.16)	(31.98)	24.01	(16.18)
Government grant	(87.13)	(113.82)	(102.78)	26.69	(11.04)
Provision for Bad Debts	(56.65)	(76.53)	(48.09)	19.88	(28.44)
Others	(42.92)	(29.32)	(47.09)	(13.60)	17.77
Net Deferred Tax (asset) liability	1,830.45	1,682.00	1,595.19		
Deferred Tax expense/(income)				148.45	86.81
- Recognised in Statement of Profit & Loss				150.00	82.10
- Recognised in Other Comprehensive Income				-1.55	4.71

(f) Reconciliation of deferred Tax (Asset) Liability

Particulars	2018-19	2017-18
Opening Balances	1,682.00	1,595.19
Tax (income)/expense during the period recognised in:		
- Statement of Profit and Loss in Profit or Loss section	150.00	82.10
- Statement of Profit and Loss under OCI section	(1.55)	4.71
Closing Balances	1,830.45	1,682.00



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

46. Financial Statements of the subsidiary companies and related detailed information will be made available to the investors, of the company and subsidiary companies, seeking such information. The financial statements of the subsidiary companies are also kept at Registered Office of the company and that of subsidiary companies for inspection of investors of the company and subsidiary companies.

**47. Disclosure of related parties/related party transactions/balances pursuant to Ind AS 24 "Related Party Disclosures"**

**(A) Name of Related Parties and nature of relationship**

**i. Related parties over which control exist (Wholly Owned Subsidiaries)**

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

**ii. Joint Ventures**

Nil

**iii. Associates with whom transactions were carried out during the year**

	<b>31.03.19</b>	<b>31.03.18</b>
a) Unnao Tanneries Pollution Control Company (A company registered under Section 25 of erstwhile the Companies Act, 1956)	34.05%	34.05%
b) Steven Construction Ltd.	46.67%	46.67%
c) Amin International Ltd.	31.13%	31.13%
d) Knowledgehouse Ltd.	31.85%	31.85%
e) Creemos International Ltd.	48.63%	48.63%

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

- |   |   |
|---|---|
| a) Mr. Mukhtarul Amin – Chairman & Managing Director                    | f) Mrs. Shahina Mukhtar – Director (Wife of Mr. Mukhtarul Amin) |
| b) Mr. Zafarul Amin – Jt. Managing Director (Son of Mr. Mukhtarul Amin) | g) Mr. R. K. Agrawal - Company Secretary                        |
| c) Mr. Vinay Sanan – Executive Director                                 | h) Mr. Deepak Sanan (Son of Mr. Vinay Sanan)                    |
| d) Mr. A.K. Agarwal – Director (Finance) - CFO                          | i) Mr. Yusuf Amin – Director (Son of Mr. Mukhtarul Amin)        |
| e) Mr. Mohd. Shadab – Deputy Managing Director                          |   |

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

- |                           |   |
|---------------------------|---|
| a) Rojus Enterprises Ltd. | b) Rivera Trendz Pvt. Ltd. c) Patrick Shoes Limited, UK |
|---------------------------|---|

**(B) (i) Disclosure of related party transactions during the year (in ordinary course of business at arm length price) Summary:**

Transactions	Wholly Owned Subsidiaries		Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
Purchases of materials / finished goods	-	-	528.00	109.40	29.71	44.87	-	-
Purchases of fixed assets	-	-	9.03	0.36	-	-	-	-
Sale of materials / finished goods	3,860.74	4,231.15	1,573.37	779.05	486.15	746.87	-	-
Sale of fixed assets	-	-	-	747.61	-	-	-	-
Services rendered / other receipts	-	-	4.39	0.90	0.12	-	-	-
Services availed	1,031.48	731.45	82.68	92.08	-	-	-	-
Rent paid	-	-	0.55	1.20	-	-	26.40	27.00
Rent received	-	-	1.48	0.04	1.50	0.82	-	-
Interest received	-	-	-	8.95	-	-	-	-
Dividend received	49.92	3.71	-	-	-	-	-	-
Commission received on Corporate Guarantee	9.11	13.45	-	-	-	-	-	-
Remuneration/sitting fee	-	-	-	-	-	-	321.14	278.07
Guarantee Commission	-	-	-	-	-	-	81.57	-
Receivables (Net)	2,038.60	2,764.77	399.09	511.97	446.46	520.26	-	-
Payables (Trade payable & other liabilities)	-	5.27	-	-	-	0.76	88.93	65.09
Loans and Advances	18.62	23.14	-	-	-	-	-	-
<b>Investments</b>	refer Note No. 3							

**(ii) Detail of related party transactions during the year (in ordinary course of business at arm length price)**

Name of related party & Transactions	Wholly Owned Subsidiaries		Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
<b>Purchases of materials / finished goods</b>								
Amin International Ltd	-	-	161.27	97.97	-	-	-	-
Creemos International Ltd.	-	-	366.73	11.43	-	-	-	-
Rojus Enterprises Ltd.	-	-	-	-	29.66	40.97	-	-
Rivera Trendz Pvt. Ltd.	-	-	-	-	0.05	1.37	-	-
Patrick Shoes Limited, UK	-	-	-	-	-	2.53	-	-
	-	-	528.00	109.40	29.71	44.87	-	-



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Name of related party & Transactions	Wholly Owned Subsidiaries		Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
<b>Purchases of fixed assets</b>								
Amin International Ltd.	-	-	9.03	0.36	-	-	-	-
	-	-	9.03	0.36	-	-	-	-
<b>Sale of materials / finished goods</b>								
Superhouse (U.K.) Ltd., UK	1,791.20	1,943.50	-	-	-	-	-	-
Superhouse Middle East FZC, Azman	992.11	1,042.88	-	-	-	-	-	-
Briggs Industrial Footwear Ltd. (U.K.)	877.47	766.52	-	-	-	-	-	-
Linea De Seguridad S.L.U., Spain	70.49	386.57	-	-	-	-	-	-
La Compagnie Francaise De Protection SRL, France	129.47	91.68	-	-	-	-	-	-
Amin International Ltd	-	-	1,073.90	583.12	-	-	-	-
Creemos International Ltd.	-	-	499.47	195.93	-	-	-	-
Rojus Enterprises Ltd.	-	-	-	-	226.90	168.59	-	-
Rivera Trendz Pvt. Ltd.	-	-	-	-	-	15.93	-	-
Patrick Shoes Limited, UK	-	-	-	-	-	-	-	-
	3,860.74	4,231.15	1,573.37	779.05	486.15	746.87	-	-
<b>Sale of fixed assets</b>								
Amin International Ltd	-	-	-	747.61	-	-	-	-
	-	-	-	747.61	-	-	-	-
<b>Services availed</b>								
Superhouse (U.K.) Ltd., UK	868.02	646.21	-	-	-	-	-	-
Superhouse (USA) International Inc., USA	1.32	23.88	-	-	-	-	-	-
Superhouse Middle East FZC, Azman	-	2.75	-	-	-	-	-	-
Superhouse GMBH, Germany	61.74	58.61	-	-	-	-	-	-
Linea De Seguridad S.L.U., Spain	100.40	-	-	-	-	-	-	-
Unnao Tanneries Pollution Control Company	-	-	82.07	91.57	-	-	-	-
Creemos International Ltd.	-	-	0.61	0.51	-	-	-	-
	1,031.48	731.45	82.68	92.08	-	-	-	-
<b>Services rendered / other receipts</b>								
Amin International Ltd	-	-	3.76	0.90	-	-	-	-
Creemos International Ltd.	-	-	0.63	-	-	-	-	-
Rojus Enterprises Ltd.	-	-	-	-	0.12	-	-	-
	-	-	4.39	0.90	0.12	-	-	-
<b>Rent paid</b>								
Knowledgehouse Ltd.	-	-	0.55	-	-	-	-	-
Steven Construction Ltd.	-	-	-	1.20	-	-	-	-
Mr. Mukhtarul Amin	-	-	-	-	-	-	6.60	7.20
Mrs. Shahina Mukhtar	-	-	-	-	-	-	18.00	18.00
Mr. Deepak Sanan	-	-	-	-	-	-	1.80	1.80
	-	-	0.55	1.20	-	-	26.40	27.00
<b>Rent received</b>								
Amin International Ltd	-	-	1.42	-	-	-	-	-
Knowledgehouse Ltd.	-	-	0.06	0.04	-	-	-	-
Rojus Enterprises Ltd.	-	-	-	-	1.50	0.82	-	-
	-	-	1.48	0.04	1.50	0.82	-	-
<b>Interest received</b>								
Steven Construction Ltd.	-	-	-	8.95	-	-	-	-
	-	-	-	8.95	-	-	-	-
<b>Dividend received</b>								
Superhouse (U.K.) Ltd., UK	4.03	3.71	-	-	-	-	-	-
Briggs Industrial Footwear Ltd. (U.K.)	45.89	-	-	-	-	-	-	-
	49.92	3.71	-	-	-	-	-	-
<b>Commission received on Corporate Guarantee</b>								
Superhouse (U.K.) Ltd., UK	2.99	2.83	-	-	-	-	-	-
Superhouse Middle East FZC, Azman	3.22	7.14	-	-	-	-	-	-
Linea De Seguridad SLU, Spain	2.90	3.48	-	-	-	-	-	-
	9.11	13.45	-	-	-	-	-	-
<b>Remuneration/sitting fee</b>								
Mr. Mukhtarul Amin	-	-	-	-	-	-	119.80	100.84
Mrs. Shahina Mukhtar	-	-	-	-	-	-	43.08	33.60
Mr. Zafarul Amin	-	-	-	-	-	-	51.48	37.88
Mr. Vinay Sanan	-	-	-	-	-	-	31.03	30.23
Mr. A.K. Agarwal	-	-	-	-	-	-	15.34	15.20
Mr. Mohd. Shadab	-	-	-	-	-	-	30.15	30.65
Mr. Yusuf Amin - Sitting Fee	-	-	-	-	-	-	0.03	0.03
Mr. R.K. Agrawal	-	-	-	-	-	-	12.23	11.64
Mr. Deepak Sanan	-	-	-	-	-	-	18.00	18.00
	-	-	-	-	-	-	321.14	278.07





NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Name of related party & Transactions	Wholly Owned Subsidiaries As at / for the year ended		Associates As at / for the year ended		Other related parties As at / for the year ended		KMP and Relatives As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
<b>Gurantee Commission</b>	-	-	-	-	-	-	-	-
Mr. Mukhtarul Amin	-	-	-	-	-	-	27.25	-
Mrs. Shahina Mukhtar	-	-	-	-	-	-	27.07	-
Mr. Zafarul Amin	-	-	-	-	-	-	27.25	-
	-	-	-	-	-	-	81.57	-
<b>(C) Outstanding balances with related parties:</b>								
<b>(i) Receivables (Net)</b>								
Superhouse (U.K.) Ltd., UK	787.14	1,064.30	-	-	-	-	-	-
Superhouse Middle East FZC, Azman	534.85	511.15	-	-	-	-	-	-
Briggs Industrial Footwear Ltd. (U.K.)	321.13	277.05	-	-	-	-	-	-
Linea De Seguridad SLU, Spain	254.27	820.84	-	-	-	-	-	-
La Compagnie Francaise De Protection SRL, France	141.21	91.43	-	-	-	-	-	-
Amin International Ltd.	-	-	63.84	68.41	-	-	-	-
Steven Construction Ltd.	-	-	-	0.10	-	-	-	-
Creemos International Ltd.	-	-	314.54	442.95	-	-	-	-
Knowledgehouse Ltd.	-	-	1.43	-	-	-	-	-
Unnao Tanneries Pollution Control Company	-	-	19.28	0.51	-	-	-	-
Rojus Enterprises Ltd.	-	-	-	-	294.72	217.20	-	-
Patrick Shoes Limited, UK	-	-	-	-	151.74	303.06	-	-
	2,038.60	2,764.77	399.09	511.97	446.46	520.26	-	-
<b>(ii) Payables (Trade payable &amp; other liabilities)</b>								
Superhouse (USA) International Inc., USA	-	5.27	-	-	-	-	-	-
Rivera Trendz Pvt. Ltd.	-	-	-	-	-	0.76	-	-
Mr. Mukhtarul Amin	-	-	-	-	-	-	26.00	45.60
Mrs. Shahina Mukhtar	-	-	-	-	-	-	27.12	5.02
Mr. Zafarul Amin	-	-	-	-	-	-	25.73	2.91
Mr. Vinay Sanan	-	-	-	-	-	-	2.32	3.81
Mr. A.K. Agarwal	-	-	-	-	-	-	0.87	0.87
Mr. Mohd. Shadab	-	-	-	-	-	-	1.77	1.82
Mr. R.K. Agrawal	-	-	-	-	-	-	0.79	0.73
Mr. Deepak Sanan	-	-	-	-	-	-	4.33	4.33
	-	5.27	-	-	-	0.76	88.93	65.09
<b>(iii) Loans and Advances</b>								
Superhouse (USA) International Inc.	-	3.90	-	-	-	-	-	-
Linea De Seguridad SLU, Spain	18.62	19.24	-	-	-	-	-	-
	18.62	23.14	-	-	-	-	-	-

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

(E) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

48. (a) Foreign Currency Exposure hedged and un-hedged as at the balance sheet date is as under:

(Foreign Currency amount in Lacs)

PARTICULARS	USD		EURO		GBP		AED	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Debtors	46.67	53.02	48.15	37.79	27.99	33.25	-	-
Creditors	6.18	9.29	6.10	5.14	0.01	0.21	-	-
Other Payables	3.33	2.59	2.56	2.08	2.10	2.85	-	-
Loan Taken (Principal)	-	7.15	1.89	3.78	-	-	-	-
Advances	2.63	2.36	0.03	0.27	-	-	-	-
Cash & Bank Balance	0.00	0.00	0.00	0.00	0.00	0.00	-	-
Corporate Guarantee	-	-	3.00	4.00	2.90	2.90	15.00	15.00
Letter of Credit	1.64	11.54	-	-	-	-	-	-



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(b) Derivative Instrument Outstanding (Forward Contract for hedging) (Foreign Currency amount in Lacs)

PARTICULARS	USD / INR		EURO / INR		GBP / INR	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Against exports	50.34	58.04	41.03	55.16	35.98	42.52

49. Disclosure pursuant to Ind AS 108 “Operating Segment”

Business Segment

(A) The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

- (a) Leather and Leather Products comprises Finished Leather, Leather Shoes, Leather Uppers and other Leather Goods.
- (b) Textile Garments comprises Textile garments, riding accessories etc.

The above business segments have been identified considering :

- (a) the nature of products
- (b) the differing risks and returns
- (c) the internal organization and management structure, and
- (d) the internal financial reporting systems

The measurement principles of segments are consistent with those used in Significant Accounting Policies. There are no inter segment transfer.

Particulars	Leather and Leather Products		Textile Garments		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>REVENUE</b>						
Segment Revenue	51,425.46	47,394.28	8,605.58	10,227.29	60,031.04	57,621.57
Intra Segment Revenue	-	-	-	-	-	-
Eliminations	-	-	-	-	-	-
Net Revenue	51,425.46	47,394.28	8,605.58	10,227.29	60,031.04	57,621.57
<b>RESULTS</b>						
Profit/ loss before tax and finance cost	4,311.60	3,566.94	359.23	187.11	4,670.83	3,754.05
Less: Finance Cost	1,188.77	1,249.96	571.55	550.15	1,760.32	1,800.11
Less: Exceptional items	-	-	-	-	-	-
Total profit/(loss) before tax	3,122.83	2,316.98	(212.32)	(363.04)	2,910.51	1,953.94
Provision for taxation						
- Current					860.00	582.00
- Deferred tax					150.00	82.10
- Tax Adjustment relating to earlier years					(13.32)	0.39
Net Profit for the year					1,913.83	1,289.45
<b>Other information</b>						
Assets	52,230.48	52,044.67	10,006.27	10,200.44	62,236.75	62,245.11
Liabilities	26,428.89	28,030.65	6,971.68	7,144.63	33,400.57	35,175.28
Capital expenditure	969.20	469.79	201.58	312.77	1,170.78	782.56
Depreciation	1,123.92	1,188.04	286.65	281.53	1,410.57	1,469.57
Impairment	-	-	-	-	-	-

(B) Additional Information by Geographies

Although the Company's operations are managed by product area, we provide additional information based on geographies.

Particulars	With in India		Outside India		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
External	14,169.95	13,712.61	45,861.09	43,908.96	60,031.04	57,621.57
Inter Segment	-	-	-	-	-	-
Total	14,169.95	13,712.61	45,861.09	43,908.96	60,031.04	57,621.57

(C) All non current assets of the Company are located in India.

(D) Revenue from major customers

The Company is not reliant on revenues from transactions with any single customer and does not receive 10% or more of its revenue from transactions with any single customer.



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**50. Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements".**

(a) Current liabilities and borrowings expected to be settled within twelve months and after twelve months from the reporting date:

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Borrowings		14,836.79	2,772.95	17,609.74	15,191.34	3,151.59	18,342.93
Trade and other payables		11,077.04	-	11,077.04	11,943.40	-	11,943.40
Other financial liabilities		2,257.94	-	2,257.94	2,171.25	-	2,171.25

(b) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories		15,221.82	-	15,221.82	15,959.64	-	15,959.64
Trade Receivable		12,780.81	-	12,780.81	13,126.52	-	13,126.52
Other Financial Assets		3,826.91	-	3,826.91	2,830.32	-	2,830.32
Other Current Assets		1,071.89	-	1,071.89	1,059.81	-	1,059.81

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

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**

Partner  
M. No. 077827

Place: Kanpur  
Dated: July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**

Chairman and Managing Director

**ZAFARUL AMIN**

Joint Managing Director

**A. K. AGARWAL**

Chief Financial Officer

**R. K. AGRAWAL**

Company Secretary



**RAJEEV PREM & ASSOCIATE**  
Chartered Accountants



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## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Superhouse Limited**

**Report on the Audit of Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of Superhouse Limited (the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, as referred to below in other matters paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cashflows for the year then ended.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate companies in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Description of Key Audit Matter**

Deferred Tax Asset (Net) (refer Note no. 5 of the consolidated financial statements)

Linea De Seguridad SLU, a Wholly owned subsidiary (WOS) of the company has recognised Deferred Tax Asset (net) amounting to Rs. 507.47 Lacs as at March 31, 2019

The WOS has been accounting, in previous years, tax credit for a significant amount. The WOS recognised asset of tax credit corresponding to the tax losses. The recovery of this asset depends mainly on the ability of WOS to generate future tax benefits, in sufficient amount and within a period not exceeding ten years.

The area is significant in context of audit because the valuation process is complex and require significant estimates by the management, in particular on the assumption about expected future economic and market conditions that effect to the recover ability of deferred tax asset for tax losses.

### **How the matter was addressed**

audit procedures include:

The audit procedures consisted mainly in verifying the capital inflows, and judging and analyzing the reasonableness of the business plan that allow the recovery of registered tax credits, verifying the reasonableness of estimates, the growth hypothesis and their financial support.

### **Information Other than the Consolidated Financial Statements and Auditors' Report Thereon**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group



and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(f) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and such companies incorporated in India which are its subsidiary companies have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Company and its subsidiaries) as well as its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain

responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

- (a) We did not audit the financial statements of seven subsidiaries, whose financial statements (before eliminating inter-company balances) reflect total assets of Rs. 14,175.66 Lacs as at March 31, 2019, total revenues (before eliminating intercompany transactions) of Rs. 15,256.98 Lacs and net cash flows amounting to Rs. 241.12 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax (including other comprehensive income) of Rs. 285.70 Lacs for the year ended March 31, 2019 in respect of five associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the audit reports of other auditors and review done by us.

The subsidiaries located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in the respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in



respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and review done by us.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 197(16) of the Act, based on our audit and on consideration of the report of the statutory auditors of such subsidiaries and associates incorporated in India not audited by us, the remuneration paid during the current year by holding company, its subsidiaries/ associates incorporated in India is in accordance with the provisions of and limits laid down under Section 197 of the Act.
  2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
    - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
    - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
    - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
    - d) In our opinion, the aforesaid consolidated financial statements comply with the IndAS specified under Section 133 of the Act.
    - e) On the basis of the written representations received from the directors of the Holding Company as of March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies /associates incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the 'Other Matters' paragraph:
    - i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2019 on the consolidated financial position of the Group and its associates. Refer Note 33 to the consolidated financial statements.
    - ii. The Group and its associate companies incorporated in India did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended March 31, 2019.
    - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 08, 2016 to December 30, 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

Place : Kanpur  
Date : July 06, 2019

**For Rajeev Prem & Associates,**  
Chartered Accountants  
Firm Registration No. 008905C  
**Rajeev Kapoor**  
PARTNER  
Membership No. 077827  
UDIN : 19077827AAAABK3763



## **Annexure A to the Auditors' Report**

{Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement section' of our report of even date on the consolidated financial statements of Superhouse Limited (the Holding Company) for the financial year ended March 31, 2019} Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

### **Opinion**

In conjunction with our audit of the consolidated financial statements of Superhouse Limited ("the Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's Responsibility for internal financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 (hereinafter referred to as "the Act").

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies incorporated in India in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### **Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements 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 with Reference to consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to five associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

**For Rajeev Prem & Associates,**  
Chartered Accountants  
Firm Registration No. 008905C

**Rajeev Kapoor**  
PARTNER

Membership No. 077827  
UDIN : 19077827AAAABK3763

Place : Kanpur  
Date : July 06, 2019



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019**

Particulars	Note No.	As at March 31, 2019 Rs. in Lacs	As at March 31, 2018 Rs. in Lacs
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	2 (a)	21,395.35	21,573.51
(b) Capital work-in-progress		275.18	557.91
(c) Investment Properties	2 (b)	202.17	206.95
(d) Goodwill	2 (c)	584.85	584.85
(e) Other Intangible assets	2 (d)	25.16	30.42
(f) Financial Assets			
(i) Investments	3	1,916.02	1,557.84
(ii) Loans	4	<u>450.99</u>	<u>447.11</u>
		2,367.01	2,004.95
(g) Deferred Tax Asset (net)	5	507.47	526.97
(h) Other non-current assets	6	684.87	652.88
<b>Current Assets</b>			
(a) Inventories	7	20,212.24	20,543.98
(b) Financial Assets			
(i) Trade receivables	8	14,856.05	15,418.37
(ii) Cash and cash equivalents	9	1,286.65	1,118.33
(iii) Bank Balances other than (ii) above	10	3,035.67	3,095.72
(iv) Other Financial Assets	11	<u>3,827.94</u>	<u>2,834.73</u>
		23,006.31	22,467.15
(c) Current Tax Assets (Net)		622.47	598.95
(d) Other current assets	12	1,275.80	1,246.10
<b>TOTAL ASSETS</b>		<b><u>71,158.88</u></b>	<b><u>70,994.62</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	1,141.98	1,141.98
(b) Other Equity	14	<u>31,169.01</u>	<u>28,932.86</u>
		32,310.99	30,074.84
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	3,660.03	4,236.80
(b) Deferred tax liabilities (net)	16	1,901.38	1,764.10
(c) Other non-current liabilities	17	249.33	328.87
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	15,304.70	15,470.61
(ii) Trade payables	19	12,600.88	13,496.21
(iii) Other financial liabilities	20	<u>4,731.14</u>	<u>4,799.73</u>
		32,636.72	33,766.55
(b) Other current liabilities	21	243.47	498.57
(c) Provisions	22	156.96	236.34
(d) Current Tax Liability (Net)		-	88.55
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>71,158.88</u></b>	<b><u>70,994.62</u></b>

**Significant Accounting Policies** 1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**

Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**

Chairman and Managing Director

**ZAFARUL AMIN**

Joint Managing Director

**A. K. AGARWAL**

Chief Financial Officer

**R. K. AGRAWAL**

Company Secretary





**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Note No.	2018 - 19 Rs. in Lacs	2017 - 18 Rs. in Lacs
<b>INCOME:</b>			
Revenue from Operations	23	69,440.01	64,971.92
Other income	24	745.75	1,571.33
<b>Total Income</b>		<b><u>70,185.76</u></b>	<b><u>66,543.25</u></b>
<b>EXPENSE:</b>			
Cost of materials consumed	25	32,128.77	30,146.27
Purchase of stock-in-trade	26	10,160.91	9,113.48
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(82.31)	321.13
Employee Benefits Expenses	28	5,646.59	5,630.15
Finance costs	29	1,935.55	2,011.88
Depreciation and Amortization Expenses		1,538.06	1,556.24
Other Expenses	30	15,688.18	15,278.18
<b>Total Expenses</b>		<b><u>67,015.75</u></b>	<b><u>64,057.33</u></b>
Profit before Exceptional items and Tax		3,170.01	2,485.92
Exceptional Items		-	-
Profit before Tax		3,170.01	2,485.92
Tax expense:			
1. Current Tax		943.07	644.02
2. Deferred Tax		150.00	78.36
3. Tax adjustment relating to earlier years		<u>(13.32)</u>	<u>0.39</u>
Profit for the period		1,079.75	722.77
		2,090.26	1,763.15
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(5.03)	13.60
(ii) Income tax related to items that will not be reclassified to profit or loss		<u>(1.55)</u>	<u>4.71</u>
<b>Total comprehensive income for the period</b>		2,086.78	1,772.04
Earnings per equity share	<b>31</b>		
(Face Value per Share Rs. 10/-)			
1. Basic		18.96	15.99
2. Diluted		18.96	15.99
<b>Significant Accounting Policies</b>	<b>1</b>		

See accompanying notes to the consolidated financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**  
Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

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

**R. K. AGRAWAL**  
Company Secretary



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

**A. Equity Share Capital**

Particulars	2018 - 19		2017 - 18	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Issued, Subscribed and fully paid-up Equity shares outstanding at the beginning of the year	11,025,000	1,102.50	11,025,000	1,102.50
Shares issued during the year	-	-	-	-
Issued, Subscribed and fully paid-up Equity shares outstanding at the end of the year	11,025,000	1,102.50	11,025,000	1,102.50
Add: Equity Shares forfeited (amount paid up originally)	3,947,718	39.48	3,947,718	39.48
<b>Total</b>	<b>14,972,718</b>	<b>1,141.98</b>	<b>14,972,718</b>	<b>1,141.98</b>

**B. Other Equity**

Particulars	FCMITD Account	Capital Reserve	Reserves and Surplus			OCI - Other	Rs. in Lacs
			Securities Premium	General Reserve	Retained Earnings		Total Other Equity
<b>Balance as at April 01, 2017</b>	(28.16)	1,452.34	1,787.21	9,200.00	14,792.54	126.64	27,330.57
Revaluation during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	1,763.15	-	1,763.15
Transfer from Retained Earnings to General Reserve	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	8.89	-	8.89
Dividend paid for the previous year (including Dividend Distribution tax thereon)	-	-	-	-	(180.67)	-	(180.67)
Adjustment related to Investment properties	-	-	-	-	(207.59)	-	(207.59)
Share of profit (after tax) of associates	-	-	-	-	190.35	-	190.35
Exchange Fluctuation on payment/restatement of loan	(8.19)	-	-	-	-	-	(8.19)
Amount charged to finance cost	36.35	-	-	-	-	-	36.35
<b>Balance as at March 31, 2018</b>	-	1,452.34	1,787.21	9,200.00	16,366.67	126.64	28,932.86
Profit for the year	-	-	-	-	2,090.26	-	2,090.26
Transfer from Retained Earnings to General Reserve	-	-	-	200.00	(200.00)	-	-
Other Comprehensive Income	-	-	-	-	(3.48)	-	(3.48)
Dividend paid for the previous year (including Dividend Distribution tax thereon)	-	-	-	-	(132.91)	-	(132.91)
Share of profit (after tax) of associates	-	-	-	-	285.70	-	285.70
Adjustment	-	-	(0.14)	-	7.81	-	7.67
FVTOCI - Gain on fair value of other investments	-	-	-	-	-	(11.09)	(11.09)
<b>Balance as at March 31, 2019</b>	-	1,452.34	1,787.07	9,400.00	18,414.05	115.55	31,169.01

**Significant Accounting Policies** 1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

**For Rajeev Prem & Associates,**

Chartered Accountants  
Firm Reg. No. 008905C

**Rajeev Kapoor**  
Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the **Board**

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

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

**R. K. AGRAWAL**  
Company Secretary



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

Particulars	2018- 19 Rs. in Lacs	2017 - 18 Rs. in Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax</b>	<b>3,170.01</b>	<b>2,485.92</b>
Adjustments for :		
Depreciation/ Amortisation	1,538.06	1,556.24
Profit on Sale of Fixed Assets	(21.73)	(738.10)
Loss on Sale of Fixed Assets	24.05	48.87
Interest income	(251.51)	(291.32)
Finance Cost	1,935.55	2,011.88
Deferral of income on government grant	(85.80)	(38.36)
Remeasurement of net defined benefit plans	5.03	(13.60)
Bad Debts provided/written off	45.22	286.16
Net (gain) / loss on fair valuation of investments	0.07	(0.01)
<b>Operating profit before working capital changes</b>	<b>6,358.95</b>	<b>5,307.68</b>
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets		
(Increase)/ Decrease in trade receivables	517.10	(4,840.00)
(Increase)/ Decrease in inventories	331.74	(78.37)
(Increase)/ Decrease in other non current loans	(3.88)	78.21
(Increase)/ Decrease in other current financial assets	(993.21)	(1,548.70)
(Increase)/ Decrease in other non current assets	(6.73)	-
(Increase)/ Decrease in other current assets	(29.70)	209.06
Adjustment for increase/(decrease) in operating liabilities		
Increase/ (Decrease) in trade payables	(895.33)	3,548.46
Increase/ (Decrease) in other financial liabilities	216.34	249.09
Increase/ (Decrease) in other liabilities	(221.14)	(222.65)
Increase/ (Decrease) in Provisions	(79.38)	(3.26)
<b>Cash generated from operations</b>	<b>5,194.76</b>	<b>2,699.52</b>
Income taxes refunded / (paid), net	(1,041.82)	(610.53)
<b>Net cash generated from operating activities</b>	<b>4,152.94</b>	<b>2,088.99</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant & Equipments	(1,244.91)	(1,141.09)
Purchase of Other Intangible assets	(5.79)	(11.52)
Purchase of Investment Properties	-	-
Proceeds from sale of PPE & Investment Property	117.26	892.08
Ajustment on consolidation	16.97	(283.33)
Purchase of non-current investments	(83.64)	(30.00)
Interest received	251.51	291.32
Other bank balances (Margin Money)	47.21	(305.75)
<b>Net cash (used in) / generated from investing activities</b>	<b>(901.39)</b>	<b>(588.29)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term loans	(848.86)	2,145.93
Repayment of long-term loans	-	(1,654.48)
Proceeds/(repayment) from/of working capital loans	(165.91)	(630.82)
Finance costs paid	(1,935.55)	(1,983.72)
Dividend Paid	(132.91)	(132.69)
<b>Net cash used in financing activities</b>	<b>(3,083.23)</b>	<b>(2,255.78)</b>
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	168.32	(755.08)
Cash and cash equivalents at the beginning of the year	1,118.33	1,873.41
Cash and cash equivalents at the end of the year	1,286.65	1,118.33
(refer Note No. 9 for break-up)	-	-

Significant Accounting Policies

1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

For Rajeev Prem & Associates,

Chartered Accountants

Firm Reg. No. 008905C

Rajeev Kapoor

Partner

M. No. 077827

Place : Kanpur

Dated : July 06, 2019

For and on behalf of the Board

MUKHTARUL AMIN

Chairman and Managing Director

ZAFARUL AMIN

Joint Managing Director

A. K. AGARWAL

Chief Financial Officer

R. K. AGRAWAL

Company Secretary



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 1:

A. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Superhouse Limited (the company/parent company) and its subsidiaries (collectively, "the Group") for the year ended 31 March 2019. Group is primarily engaged in the business of manufacturing and trading of Leather, Leather Goods and Textile Goods etc.

The Company is a public limited company having its registered office situated at 150 Feet Road, Jajmau, Kanpur – 208010 (UP). The Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The financial statements were approved for issue in accordance with a resolution of the directors on 06.07.2019.

B. SIGNIFICANT ACCOUNTING POLICIES

1. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

2. Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value amount: i) Certain financial assets and liabilities (including derivative instruments), ii) Defined benefit plans - plan assets

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3. Consolidation procedure

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- (iii) The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and except unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonized, to the extent possible, to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.
- (iv) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.
- (v) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets (except fixed assets and share capital) and liabilities are converted at the rates prevailing at the end

of the year. Exchange differences arising on consolidation is recognized in the Statement of Profit and Loss. Investments in 100% foreign subsidiaries have been eliminated with the corresponding Share Capital and Share Premium, if any, of the subsidiary company.

- (vi) In case of associates, where the company directly or indirectly through subsidiaries holds more than 20% of equity (i.e. where the Group has significant influence), investments are accounted for using equity method except where the associate operates under severe long-term restrictions that significantly impair its ability to transfer funds to the parent Company.
- (vii) The difference between the cost of investment in the subsidiary/associates, over the net assets of the subsidiary/associates is recognized in the consolidated financial statements as goodwill or capital reserve, as the case may be.
- (viii) An investment in associate is initially recognised at cost and adjusted thereafter to recognize the Group's share of profit or loss and other comprehensive income of associate.
- (ix) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

4. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

- 5. Financial statements are presented in Indian Rupees, which is also its functional currency. Figures have been rounded off to the nearest rupees in lacs.
- 6. The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.
- 7. Revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.
- 8. Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1<sup>st</sup> April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Expenses incurred relating to project, including borrowing cost and net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

9. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1<sup>st</sup> April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

**10. Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on such cost of assets less their residual values on straight line method on the basis of estimated useful life of assets as prescribed in Schedule II of the Act. However, in case of foreign Wholly Owned Subsidiary (WOS) the depreciation (including on Investment property) or amortisation is accounted for in accordance with the relevant statute / applicable accounting standard of the country. Freehold land is not depreciated/amortised. Assets held under financial leases are depreciated over their expected useful lives on the same basis as owned assets or, wherever shorter, the term of relevant lease.

Depreciation is calculated on a pro rata basis except that, assets costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**11. Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised. Intangible assets being computer software is amortised on straight line method over the period of five years. The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

**12. Impairment of tangible and intangible assets other than goodwill**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

**13. Leases**

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**Company as a Lessee**

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

**14. Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

- (a) Raw materials, Chemicals, Components, stores & spares and Stock in Trade – Cost includes cost of purchase (Net of recoverable taxes) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.
- (b) Stock in process and finished goods- Direct cost plus appropriate share of overheads.
- (c) Saleable Scrap/Waste/By products - At estimated realisable value.
- (d) Inter unit goods transfer – transfer price
- (e) Import Entitlement / Licences – At estimated realisable/Utilisation value Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**15. Foreign Currencies****a) Functional and presentation currency**

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

**b) Transaction and balances**

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

- (i) Exchange differences pertaining to long term foreign currency loans obtained on or before March 31, 2018:
  - (a) relating to acquisition of depreciable assets - are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.
  - (b) Others - carried forward and amortise over the remaining period of such asset or liability since the company had opted to carry forward the same in accordance with the Companies (Accounting Standards) Amendment Rules, 2011.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- (ii) Exchange differences pertaining to long term foreign currency loans obtained on or after April 1, 2018 is charged off or credited to profit & loss account.
- (iii) Investment in overseas Wholly Owned Subsidiaries are carried in Balance Sheet at the rates prevailing on the dates of transaction.

**16. Fair Value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**17. Financial Assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

**Debt instruments at amortised cost**

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are

recognised in the profit or loss.

**Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

**Debt instruments at Fair value through Profit or Loss (FVTPL)**

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

**Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

**18. Impairment of financial assets**

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### 19. Financial Liabilities

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

#### Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### 20. Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

### 21. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs. The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect

that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

### 22. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

### 23. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counter party.

### 24. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

### 25. Provisions, Contingent liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### 26. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in previous period(s). Such a grant is recognised in profit or loss of the period in which it becomes receivable.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets or other relevant basis.

Government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019****27. Revenue Recognition****Sale of Goods and services**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when (a) control is transferred to the customer, which is mainly upon delivery in case of domestic sales and on issuance of Shipping Bill in case of export sales.

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns, rebates and discounts to customers.

Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales Tax/ value added tax/ Goods & Services Tax.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company has adopted Ind AS 115 using the cumulative effect method whereby the effect of applying this standard is recognised at the date of initial application (i.e. April 1, 2018). Accordingly, the comparative information in the statement of profit and loss is not restated. There is no impact of the adoption of the standard on the financial statements of the Company.

**Interest Income**

Interest income is accrued on using on a time basis by the effective interest rate with reference to the principal outstanding.

**Dividend Income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

**Export Incentives**

Export Incentives are recognised when certainty of receipt is established.

**Insurance Claim**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**Other Income**

Other income is accounted for on accrual basis except where the receipt of income is uncertain and in such cases it is accounted for on receipt basis.

**28. Employee benefits**

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through/by duly constituted and approved Trusts and the Government.

**Defined Contribution Scheme**

In case of provident fund administered through Regional Provident Fund Commissioner, the Company has no obligation, other than the contribution payable to the provident fund. In case of members of constituted and approved trusts, the Company recognises contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India. The Company's contributions paid / payable during the year to provident fund administered through Approved Trust, Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions.

**Defined Benefit Scheme**

Gratuity: Cost of providing the Benefit is determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined by independent actuary using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit

to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment: Accrued Leaves are encashed annually at the end of the calendar year and not accumulated. Provision for the same is done on the basis of leaves accrued as at the end of the reporting period.

**29. Research and Development Expenditure**

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as fixed assets.

**30. Taxes on Income**

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

**31. Dividend Distribution**

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**32. Cash Flow Statement**

Cash flows statement is prepared as per the Indirect Method specified in Ind AS 7 on Cash Flows. Cash and cash equivalents (including bank balances) shown in statement of cash flows exclude item which are not available for general use on the date of balance sheet.

**33. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**34. Segment Reporting**

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the Company.





**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**2. (a) Property, plant and equipment**

(Rs. In Lacs)

Particulars	Land Leasehold	Land Freehold	Factory building	Other buildings	Plant & Equipment	Furniture & Fixtures	Office Equipment	Computer	Vehicle	Total
<b>Gross carrying value*</b>										
<b>As at April 01, 2018</b>	1,236.22	208.16	9,089.85	3,084.58	9,792.58	466.38	177.79	57.58	833.87	24,947.01
Additions	-	-	169.71	14.03	1,100.69	41.00	23.84	24.61	89.54	1,463.42
Sale/(Deletions)	-	-	(33.49)	-	(79.06)	(4.55)	(1.92)	(4.74)	(31.06)	(154.82)
Adjustments	-	-	-	-	-	-	(24.06)	24.06	-	-
<b>As at March 31, 2019</b>	1,236.22	208.16	9,226.07	3,098.61	10,814.21	502.83	175.65	101.51	892.35	26,255.61
<b>Accumulated Depreciation/Amortisation</b>										
<b>As at April 01, 2018</b>	26.58	-	668.74	126.11	1,987.14	136.47	88.90	18.24	321.32	3,373.50
Additions	14.24	-	341.13	46.01	872.68	69.89	26.79	19.75	136.51	1,527.00
Sale/(Deletions)	-	-	(2.65)	-	(20.34)	(0.36)	(0.57)	(1.87)	(14.45)	(40.24)
Adjustments	-	-	-	-	-	-	(24.06)	24.06	-	-
<b>As at March 31, 2019</b>	40.82	-	1,007.22	172.12	2,839.48	206.00	91.06	60.18	443.38	4,860.26
<b>Net Carrying amount (WDV)</b>										
<b>As at March 31, 2019</b>	1,195.40	208.16	8,218.85	2,926.49	7,974.73	296.83	84.59	41.33	448.97	21,395.35
<b>As at March 31, 2018</b>	1,209.64	208.16	8,421.11	2,958.47	7,805.44	329.91	88.89	39.34	512.55	21,573.51

\*At deemed cost as per IND-AS 101 as at 01.04.2016 and additions at cost thereafter

- (i) Building include Gross Block Rs. 30.40 Lacs (March 31, 2018 Rs. 30.40 Lacs) and Net block Rs. 20.44 Lacs (March 31, 2018 Rs. 20.88 Lacs ) in respect two flats, purchased by the company in earlier years, title deed in respect of which is yet to be executed.
- (ii) Building further include Gross Block Rs. 167.62 Lacs (March 31, 2018 Rs. 167.62 Lacs) and Net Block Rs. 123.23 Lacs (March 31, 2018 Rs. 125.74 Lacs) in respect of capital expenditure incurred by the company on rented premises.
- (iii) **Assets given as security for borrowings**  
All the items of Property, Plant and Equipment of the Company have been given to lenders as security for various borrowing facilities.

**(b) Investment Properties**

(Rs. in lacs)

Particulars	Other Buildings	Total
<b>Gross carrying value*</b>		
<b>As at April 01, 2018</b>	206.95	206.95
Additions	-	-
Adjustment/(Deletions)	(4.78)	(4.78)
Adjustments	-	-
<b>As at March 31, 2019</b>	202.17	202.17
<b>Accumulated Depreciation/Amortisation</b>		
<b>As at April 01, 2018</b>	-	-
Additions	-	-
Adjustment/(Deletions)	-	-
Adjustments	-	-
<b>As at March 31, 2019</b>	-	-
<b>Net Carrying amount</b>		
<b>As at March 31, 2019</b>	202.17	202.17
<b>As at March 31, 2018</b>	206.95	206.95

**(c) Goodwill - Goodwill on Consolidation**

Particulars	Goodwill	Total
<b>Carrying value</b>		
<b>As at April 01, 2018</b>	584.85	584.85
Addition/deletion/amortisation/impairment	-	-
<b>As at March 31, 2019</b>	584.85	584.85



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(d) Other Intangible assets

(Rs. In lacs)

Particulars	Brand and Trademark	Computer Software	Total
<b>Gross carrying value*</b>			
<b>As at 1st April, 2018</b>	<b>0.42</b>	<b>103.81</b>	<b>104.23</b>
Additions	-	5.79	5.79
Deletions	-	-	-
Adjustments	-	-	-
<b>As at March 31, 2019</b>	<b>0.42</b>	<b>109.60</b>	<b>110.02</b>
<b>Accumulated Depreciation</b>			
<b>As at 1st April, 2018</b>	<b>0.42</b>	<b>73.39</b>	<b>73.81</b>
Additions	-	11.05	11.05
Deletions/Adjustment	-	-	-
Adjustments	-	-	-
<b>As at March 31, 2019</b>	<b>0.42</b>	<b>84.44</b>	<b>84.86</b>
<b>Net Carrying amount</b>			
<b>As at March 31, 2019</b>	<b>-</b>	<b>25.16</b>	<b>25.16</b>
<b>As at March 31, 2018</b>	<b>-</b>	<b>30.42</b>	<b>30.42</b>

2.1 The management has carried out an exercise of identifying the asset that may have been impaired, during the year, in respect of each cash generating unit. On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.

3. Financial Assets: Investments - Non Current

Particulars	As at March 31, 2019 Rs. in Lacs		As at March 31, 2018 Rs. in Lacs	
<b>Equity Shares Unquoted</b>				
<b>A. INVESTMENT IN ASSOCIATES</b>				
(i) Steven Construction Ltd. 21,00,000 Equity Shares of Rs. 10/- each fully paid Add: Share of post acquisition profit/loss (net)	210.00 105.17	315.17	210.00 84.67	294.67
(ii) Unnao Tanneries Pollution Control Company 1,53,080 Equity Shares of Rs. 10/- each fully paid Add: Share of post acquisition profit/loss (net)	15.31 -	15.31	15.31 -	15.31
(iii) Knowledgehouse Ltd. 8,60,000 Equity Shares of Rs. 10/- each fully paid Add: Share of post acquisition profit/loss (net)	86.00 299.80	385.80	86.00 210.86	296.86
(iv) Creemos International Ltd 12,54,600 Equity Shares of Rs. 10/- each fully paid (as at 31.03.2018, 8,36,400 Shares) Add: Share of post acquisition profit/loss (net)	184.01 79.77	263.78	100.37 35.46	135.83
(v) Amin International Ltd. 3,04,900 Equity Shares of Rs. 10/- each fully paid Add: Share of post acquisition profit/loss (net)	30.49 662.58	693.07	30.49 530.64	561.13
<b>Total - A</b>	<b>1,673.13</b>		<b>1,303.80</b>	
<b>B. OTHERS</b>				
(i) Industrial Infrastructure Services India 1,85,120 Equity Shares of Rs. 10/- each fully paid		18.51		18.51
(ii) Kanpur Unnao Leather Cluster Development Co. Ltd. 5,62,500 Equity Shares of Rs. 10/- each fully paid		196.28		211.10
(iii) Rojus Enterprises Ltd. 7,00,000 Equity Shares of Rs. 10/- each fully paid		28.03		24.29
<b>Total - B</b>		<b>242.82</b>		<b>253.90</b>
<b>Equity Shares Quoted</b>				
<b>C.</b>				
(i) Super Tannery Ltd. 3,000 Equity Shares of Rs. 1/- each fully paid		0.07		0.14
(ii) Mideast Integrated Steels Ltd. (Delisted) 20,000 Equity Shares of Rs.10/- each fully paid		-		-
(iii) Somani Iron & Steels Ltd. (Delisted) 8,700 Equity Shares of Rs.10/- each fully paid		-		-
<b>Total - C</b>		<b>0.07</b>		<b>0.14</b>
<b>Total (A+B+C)</b>		<b>1,916.02</b>		<b>1,557.84</b>
Aggregate Book Value of Quoted Investments		0.07		0.14
Market Value of Quoted Investments				
Aggregate Book Value of Unquoted Investments		1,915.95		1,557.70
Note: Investment is net of impairment				
Aggregate impairment in Value of Investments Quoted		6.68		6.61



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019 Rs. in Lacs	As at March 31, 2018 Rs. in Lacs
<b>4. Financial Assets: Loans - Non Current</b>		
<i>Unsecured considered good</i>		
Loans & Advances - Others	450.99	447.11
<b>Total</b>	<b>450.99</b>	<b>447.11</b>
<b>5. Deferred Tax Assets (Net)</b>		
<i>Tax effect of items constituting deferred tax assets</i>		
Unabsorbed Losses	472.04	490.47
Other Timing Differences	37.88	39.76
Total assets	509.92	530.23
<i>Tax effect of items constituting deferred tax liability</i>		
Other Timing Differences	2.45	3.26
<b>Total</b>	<b>507.47</b>	<b>526.97</b>
<b>6. Other Non Current Assets</b>		
<i>Unsecured considered good</i>		
Capital Advance	411.70	386.44
Security Deposits	273.17	265.07
Advance recoverable in cash or kind or for value to be received	-	1.37
<b>Total</b>	<b>684.87</b>	<b>652.88</b>
<b>7. Inventories (At cost or net realisable value whichever is lower)</b>		
At lower of cost and net realisable value		
Raw Materials	3,111.72	3,337.19
Work in Progress	5,303.04	5,512.24
Finished Goods	9,003.62	9,239.76
{including stock at port Rs. 315.99 Lacs (March 2018: Rs. 258.77 Lacs)}		
Chemical, Components, Stores and spares	2,728.86	2,426.29
Import Entitlement / licences in hand	65.00	28.50
<b>Total</b>	<b>20,212.24</b>	<b>20,543.98</b>
During the year Rs. 191.91 Lacs (previous year Rs 397.45 Lacs) was recognised as expense towards write-down of inventory.		
<b>8. Financial Assets - Current: Trade Receivable</b>		
Secured Considerd Good	-	-
Unsecured Considerd Good	14,856.05	15,418.37
Unsecured which have significant increase in credit risk	132.73	220.95
Unsecured credit impaired	29.40	17.62
	15,018.18	15,656.94
Less: Impairment loss allowance		
Allowance for doubtful debts	132.73	220.95
Provision for Expected Credit Loss (ECL)	29.40	17.62
	162.13	238.57
<b>Total</b>	<b>14,856.05</b>	<b>15,418.37</b>
<b>9. Financial Assets - Current: Cash and Cash Equivalents</b>		
Balances with banks		
on current accounts	1,201.14	965.96
on EEFC accounts	0.15	0.16
Cheques and Draft on Hand/Remittance in Transit	2.31	71.32
Cash on hand	83.05	80.89
<b>Total</b>	<b>1,286.65</b>	<b>1,118.33</b>
<b>10. Financial Assets - Current: Bank Balances other than cash and cash equivalents</b>		
Margin money deposits	2,914.70	2,961.91
(restricted, held as lien against bank guarantees/LCs)		
Earmarked balances with banks - unclaimed Dividend	120.97	133.81
<b>Total</b>	<b>3,035.67</b>	<b>3,095.72</b>
<b>11. Other Current Financial Assets</b>		
<i>Unsecured considered good</i>		
(a) Interest accrued on deposits	177.70	134.60
(b) Export Incentive Receivable	1,053.97	1,028.10
(c) Other Claims Receivable	680.27	52.71
(d) Balance with Govt/Revenue authority	1,916.00	1,619.32
<b>Total</b>	<b>3,827.94</b>	<b>2,834.73</b>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Rs. in Lacs		Rs. in Lacs	
<b>12. Other Current Assets</b>				
<i>Unsecured considered good</i>				
(a) Advances to Trade Creditors		533.66		546.71
(b) Advance recoverable in cash or kind or for value to be received		609.87		573.03
(c) Prepaid expenses		132.27		126.36
<b>Total</b>		<b>1,275.80</b>		<b>1,246.10</b>

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
<b>13. Equity Share Capital</b>				
<b>Authorised</b>				
Equity Shares of Rs. 10/-each	15,000,000	1,500.00	15,000,000	1,500.00
<b>Issued</b>				
Equity Shares of Rs. 10/-each	14,972,718	1,497.27	14,972,718	1,497.27
<b>Subscribed and fully paid-up</b>				
Equity Shares of Rs. 10/-each	11,025,000	1,102.50	11,025,000	1,102.50
Add: Equity Shares Forfeited (Amount originally paid-up in respect of forfeited shares)	3,947,718	39.48	3,947,718	39.48
<b>Total</b>	<b>14,972,718</b>	<b>1,141.98</b>	<b>14,972,718</b>	<b>1,141.98</b>
<b>(A) Reconciliation of the number of equity shares and share capital</b>				
<i>Subscribed and fully paid-up equity shares</i>				
Outstanding at the beginning of the year	11,025,000	1,102.50	11,025,000	1,102.50
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	11,025,000	1,102.50	11,025,000	1,102.50

**(B) Terms and rights attached to equity shares**

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(C) Details of shareholders holding more than 5% shares in the company**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	%	No. of Shares	%
Mr. Mukhtarul Amin	1,324,487	12.01%	1,324,487	12.01%
Steven Construction Limited	1,315,119	11.93%	1,315,119	11.93%

Particulars	2018 - 19 (No. of Shares)		2017 - 18 (No. of Shares)	
	No. of Shares	%	No. of Shares	%
<b>(D)</b> Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the immediately preceding five years	NIL		NIL	
<b>(E)</b> Equity Shares allotted as fully paid up Bonus Shares during the immediately preceding five years	NIL		NIL	
<b>(F)</b> Equity shares buy-back in immediately preceding five years	NIL		NIL	
<b>(G)</b> Shares held by holding/ultimate holding company and/or their subsidiaries/ associates	NIL		NIL	
<b>(H)</b> During the year ended March 31, 2019, the company has paid the final dividend of Rs. 1.00 per equity share for the year ended March 31, 2018 amounting to Rs. 110.25 Lacs and Dividend distribution tax of Rs. 22.66 Lacs.				
<b>(I)</b> The Board of Directors has recommended for approval of share holders, final dividend of Rs. 1.00 per shares. On approval, total dividend payment is expected to be Rs. 110.25 Lacs and payment of Dividend Distribution Tax is expected to be Rs. 22.66 Lacs.				



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	As at March 31, 2019 Rs. in Lacs	As at March 31, 2018 Rs. in Lacs
<b>14. Other equity</b>		
Capital Reserve	1,452.34	1,452.34
Securities Premium	1,787.07	1,787.21
General Reserve	9,400.00	9,200.00
Other Comprehensive income	115.55	126.64
Retained Earnings	18,414.05	16,366.67
<b>Total</b>	<b><u>31,169.01</u></b>	<b><u>28,932.86</u></b>
<b>(A) Capital Reserve</b>		
It represent the gain of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the company for business combination in earlier years.		
<b>(B) Securities Premium</b>		
Securities premium reserve is used to record the premium on issue of shares. This reserve is utilized in accordance with the provisions of the Act.		
<b>(C) General Reserve</b>		
The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.		
<b>(D) Retained Earnings</b>		
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends paid or other distributions out of reserves to shareholders.		
<b>(E) Other Comprehensive Income - Others</b>		
It represent gain/(loss) on Unquoted Long Term Investments recognised on fair value through other comprehensive income.		
<b>15. Financial Liabilities - Non-current: Borrowings</b>		
Secured		
Term loans from banks - INR	2,772.95	2,986.50
Term loans from banks - Foreign Currency	887.08	1,238.59
Vehicle Term loans from banks - INR	-	11.71
<b>Total</b>	<b><u>3,660.03</u></b>	<b><u>4,236.80</u></b>
Amount of default as on the Balance Sheet date:		
(a) Repayment of loan	NIL	NIL
(b) Interest on Loan	NIL	NIL
<b>Repayment terms:</b>		
(a) Secured rupee term loans from banks: Structured Quarterly Instalments		
(b) The classification of loans between current liabilities and non-current liabilities continues based on repayment schedule under respective agreements as no loans have been recalled due to non compliance of conditions under any of the loan agreements.		
(c) Scheduled repayments: Contractual repayments in case of loans from banks (including Current maturities disclosed under other Current financial liabilities:		
Upto three years	4,381.69	4,850.85
Between three to five years	1,239.05	1,341.40
Over five years	21.64	298.99
<b>Security details:-</b>		
<b>Term Loan other than Vehicle Loans</b>		
Aforesaid Term Loans are secured by hypothecation/mortgage of company's moveable and im-moveable properties. Further secured by the personal guarantee of three promoter Directors of the company.		
<b>Vehicle Loans</b>		
Secured by hypothecation of vehicle financed.		
<b>16. Deferred tax liabilities (Net)</b>		
<i>Tax effect of items constituting deferred tax liability</i>		
On difference between book balance and tax balance of fixed assets	2,041.30	1,949.83
Others	70.93	82.10
Total Tax effect of items constituting deferred tax liability	<u>2,112.23</u>	<u>2,031.93</u>
<i>Tax effect of items constituting deferred tax assets</i>		
Provision for gratuity	24.15	48.16
Government grant	87.13	113.82
Provision for Bad Debts	56.65	76.53
Others	42.92	29.32
Total Tax effect of items constituting deferred tax assets	<u>210.85</u>	<u>267.83</u>
Net Deferred Tax Liability	<u>1,901.38</u>	<u>1,764.10</u>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	As at March 31, 2019 Rs. in Lacs	As at March 31, 2018 Rs. in Lacs
<b>17. Other Non-current Liabilities</b>		
Deferred Revenue		
Govt Grant under IDLS	132.63	183.29
EPCG Obligations	116.70	145.58
<b>Total</b>	<b>249.33</b>	<b>328.87</b>
(a) Government Grant under IDLS, the deferred grant income is recognized in Statement of Profit and Loss on a systematic basis over the useful life of asset on which such grant is received subject to compliance of other terms & conditions of the scheme.		
(b) Under EPCG scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time apart from maintaining average export growth. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. The deferred grant income is recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.		
<b>18. Financial Liabilities - Current: Borrowings</b>		
Secured		
Borrowings from banks		
(a) Indian rupee loan from bank(s)	13,713.99	13,337.18
(b) Foreign currency loan from bank(s)	<u>1,590.71</u> 15,304.70	<u>2,044.21</u> 15,381.39
Buyers Credit (Foreign Currency Loan) from banks		
(a) for Raw Materials, Stores and spares	<u>-</u> -	<u>89.22</u> 89.22
<b>Total</b>	<b>15,304.70</b>	<b>15,470.61</b>
Amount of default as on the Balance Sheet date:		
(a) Repayment of loan	NIL	NIL
(b) Interest on Loan	NIL	NIL
<b>(A) Security</b>		
Working Capital Loans are primarily secured by hypothecation of present and future Current Assets and Actionable Claims (viz. Inventories, trade receivable / book debts, outstanding monies, receivable claims, bills and materials in transit).		
These are further collaterally secured by extension of charge over moveable and immoveable properties of the company.		
Further secured by personal guarantee of three promoter director(s) of the company.		
<b>(B) Buyers Credit is secured by Bank Guarantee issued within the limit sanctioned to the company.</b>		
Particulars	As at March 31, 2019 Rs. in Lacs	As at March 31, 2018 Rs. in Lacs
<b>19. Financial Liabilities - Current: Trade Payable</b>		
(a) Dues to micro enterprises and small enterprises	331.25	-
(b) Due to creditors other than micro enterprises and small enterprises	12,269.63	13,496.21
<b>Total</b>	<b>12,600.88</b>	<b>13,496.21</b>
<b>20. Financial Liabilities - Current: Other Financial Liabilities</b>		
(a) Current maturities of long term borrowings	1,982.35	2,254.44
(b) Interest accrued and due on borrowings	28.81	34.63
(c) Interest accrued but not due on borrowings	0.44	0.57
(d) Book overdraft from banks	158.90	179.31
(e) Unclaimed Dividend	120.97	133.81
(f) Other Liabilities	2,439.67	2,196.97
<b>Total</b>	<b>4,731.14</b>	<b>4,799.73</b>
<b>21. Other Current Liabilities</b>		
(a) Advance from customers	223.71	444.85
(b) Advance against sale of fixed assets	6.00	1.00
(c) Creditors for capital goods	13.76	52.72
<b>Total</b>	<b>243.47</b>	<b>498.57</b>
<b>22. Current Liabilities: Provisions</b>		
(a) Provision for Gratuity	72.05	151.62
(b) Provision for Leave Encashment	84.91	84.72
<b>Total</b>	<b>156.96</b>	<b>236.34</b>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	2018-19 Rs. in Lacs	2017-18 Rs. in Lacs
<b>23. Revenue from operations</b>		
(a) Sales / Income from operations		
Sales (Export & Overseas)	55,872.55	52,093.22
Exchange Fluctuation on Sales (Export)	17.58	417.76
Sales (Indigenous)	<u>10,891.24</u>	<u>9,032.06</u>
{refer Note (d) below for break-up}	66,781.37	61,543.04
(b) Other operating revenue		
Export Incentives {refer Note (e) below for break-up}	2,658.64	3,428.88
<b>Revenue from operations (gross)</b>	<b><u>69,440.01</u></b>	<b><u>64,971.92</u></b>
(c) Revenue from operations for periods upto 30th June, 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with Ind AS GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended March 31, 2018 (being inclusive of excise duty for the period from April 17 to June 17) is not comparable with the current year. However, it has no effect on profits for the year. Amount of such excise duty for the current year is Rs. NIL (previous year Rs. 64.35 Lacs).		
(d) Breakup of Sales		
Leather and Leather Products	58,898.14	52,110.16
Textile Products	7,883.23	9,432.88
<b>Total</b>	<b><u>66,781.37</u></b>	<b><u>61,543.04</u></b>
(e) <u>Details of other operating revenue</u>		
Export Incentives		
Duty Draw Back / ROSL	1,245.99	2,076.48
licences/Entitlements	1,412.65	1,352.40
<b>Total</b>	<b><u>2,658.64</u></b>	<b><u>3,428.88</u></b>
<b>24. Other Income</b>		
Interest income		
- from Fixed Deposit with Banks	217.19	194.48
- from Others	<u>34.32</u>	<u>96.84</u>
	251.51	291.32
Miscellaneous Income	336.61	405.84
Deferred revenue on EPCG & IDLS Subsidy	85.80	38.36
Liabilities/provisions no longer required	20.06	71.01
Fair value gain on quoted investments	(0.07)	0.01
Profit on Sale of Fixed Assets	21.73	738.10
Rent	30.11	26.69
<b>Total</b>	<b><u>745.75</u></b>	<b><u>1,571.33</u></b>
<b>25. Cost of material consumed</b>		
<u>Raw Material consumed</u>		
(a) Finished Leather	3,562.82	3,523.30
(b) Raw Hide/Skin	6,456.41	7,367.88
(c) Fabric & Yarn	3,572.73	4,143.51
(d) Sole	3,204.52	2,073.78
(e) PU / PVC Compound	1,506.68	1,409.25
(f) Others	<u>1,220.45</u>	<u>527.02</u>
Raw Material consumed	19,523.61	19,044.74
Chemicals, Components and Spare Parts consumed	10,973.33	9,701.65
Packing Material consumed	1,631.83	1,399.88
<b>Total</b>	<b><u>32,128.77</u></b>	<b><u>30,146.27</u></b>
<b>26. Purchase of stock in trade</b>		
(a) Leather and Leather Products	10,144.77	9,099.16
(b) Textile Products	16.14	14.32
<b>Total</b>	<b><u>10,160.91</u></b>	<b><u>9,113.48</u></b>
<b>27. Increase/decrease in Inventories</b>		
Inventories at the commencement of the year		
Finished Goods	9,239.76	9,263.54
Work in process	5,512.24	5,446.67
Import Entitlements/Licenses in hand	<u>28.50</u>	<u>391.42</u>
<b>TOTAL 'A'</b>	<b>14,780.50</b>	<b>15,101.63</b>
Inventories at the end of the year		
Finished Goods	9,003.62	9,239.76
Work in process	5,303.04	5,512.24
Import Entitlements/Licenses in hand	<u>65.00</u>	<u>28.50</u>
<b>TOTAL 'B'</b>	<b><u>14,371.66</u></b>	<b><u>14,780.50</u></b>
Decrease/(Increase) in Stocks (A-B)	408.84	321.13
Less: Stock lost by fire	491.15	-
Decrease/(Increase) in Stocks (Net)	<u>(82.31)</u>	<u>321.13</u>



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	2018-19 Rs. in Lacs	2017-18 Rs. in Lacs
<b>28. Employee benefit expense</b>		
Salary, Wages and Bonus	4,227.16	4,323.95
Directors Remuneration (including Sitting Fee)	614.55	521.38
Contribution to Provident and other funds	464.05	423.62
Contribution to Gratuity Fund	81.39	118.06
Workmen and Staff Welfare expenses	259.44	243.14
<b>Total</b>	<b><u>5,646.59</u></b>	<b><u>5,630.15</u></b>
<b>29. Finance cost</b>		
Interest on		
- Term Loan	427.73	511.67
- Others	1,070.65	1,019.11
Exchange fluctuation to the extent to be regarded as adjustment to interest cost	20.86	101.44
	<u>1,519.24</u>	<u>1,632.22</u>
Less: Interest capitalised	5.66	14.11
	<u>1,513.58</u>	<u>1,618.11</u>
Bank Charges	421.97	393.77
<b>Total</b>	<b><u>1,935.55</u></b>	<b><u>2,011.88</u></b>
<b>30. Other expenses</b>		
<b>Manufacturing Expenses</b>		
Consumable Stores	418.87	587.71
Production Charges	5,833.04	5,062.51
Job Work Charges	550.85	621.07
Power and Fuel	1,722.04	1,611.07
Excise Duty on sales	-	64.35
Effluent Treatment Expenses	94.95	111.89
Repairs and Maintenance		
- Building	177.67	167.15
- Machinery	421.80	358.08
	<u>9,219.22</u>	<u>8,583.83</u>
<b>Selling and Distribution Expenses</b>		
Freight, Handling and Other Sales and Distribution Expenses	2,577.89	2,565.96
Commission on Sale	1,046.30	1,187.17
Advertisement and Publicity	102.91	87.46
Bad Debts - Provision/write off	45.22	286.16
	<u>3,772.32</u>	<u>4,126.75</u>
<b>Establishment Expenses</b>		
Rent	194.90	108.39
Rates and Taxes	215.18	154.02
Insurance	214.15	224.01
Communication cost	191.55	208.63
Travelling and Conveyance	533.73	565.85
Vehicle Running and Maintenance	264.53	252.20
Repairs and Maintenance - Others	368.34	263.46
Printing and Stationery	129.45	98.61
Legal and Professional Charges	185.62	179.99
Auditor's Remuneration {refer Note (a) below}	18.11	15.24
Miscellaneous Expenses	309.21	214.35
Research & Development Expenses	45.92	42.02
Exchange Difference	(67.10)	106.28
Charity and Donation	13.25	9.53
Loss on Sale of Fixed Assets	24.05	48.87
Corporate Social Responsibility Expenses	55.75	76.15
	<u>2,696.64</u>	<u>2,567.60</u>
<b>Total</b>	<b><u>15,688.18</u></b>	<b><u>15,278.18</u></b>
<b>(a) Auditor's remuneration comprises:</b>		
As auditor	18.11	14.70
For other services	-	0.54
<b>Total</b>	<b><u>18.11</u></b>	<b><u>15.24</u></b>





**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	2018-19 Rs. in Lacs	2017-18 Rs. in Lacs
<b>31. Earning per share (EPS)</b>		
(a) Profit for the year (Rs. In Lacs)	2,090.26	1,763.15
(b) Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS	11,025,000	11,025,000
(c) Nominal value of equity shares (Rupees)	18.96	15.99
(d) EPS- Basic and diluted (Rupees per share)		
<b>32. Capital and other commitments</b>		
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	16.29	NIL
<b>33 Contingent liabilities</b>		
i. Claim against the company not acknowledged as debt	28.00	152.97
ii. Contingent Liabilities in respect of:		
(a) Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K., UAE and Spain	777.56	855.29
(b) Letter of Credit opened and outstanding	1,016.23	2,035.25
(c) The detail of disputed dues (net of amounts paid) as per the clause 3 (vii)(b) of Section 143 (11) of the Companies Act, 2013		

Nature of Dues & Forum where dispute is pending	Period to which relates	March 31, 2019 Rs. in Lacs	March 31, 2018 Rs. in Lacs
Finance Act 1994 - Service Tax CESTAT, Allahabad Bench	2009-10 to 2014-15	NIL	656.72
Entry Tax: Joint Commissioner of Trade Tax, Kanpur	2005-2006	5.87	5.87
UP Trade Tax and Central Sales Tax: Joint Commissioner of Trade Tax, Kanpur	2005-2006	0.28	0.28
Addl. Commissioner of Trade Tax, Kanpur	2011-2012	1.28	NIL
Addl. Commissioner of Trade Tax, Kanpur	2012-2013	1.29	NIL
Addl. Commissioner of Trade Tax, Kanpur	2015-2016	17.10	NIL

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

**34 Disclosure pursuant to Ind AS 19 "Employee Benefits":**

**(a) Defined Contribution Plan**

The employees of the Company are members of a state-managed retirement benefit plans namely Provident fund and Pension and Employee State Insurance (ESI) operated by the Government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit and ESI schemes.

The only obligation of the company with respect to such retirement and other benefit plan is to make the specified contributions.

The Company has recognized the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (refer note 27)

Particulars	2018-19	2017-18
Employer's contribution to PF and FPF	221.67	229.18
Employer's contribution to ESIC	95.26	79.26
Contribution for Employee Benefits at WOS	147.12	115.18
<b>Total</b>	<b>464.05</b>	<b>423.62</b>



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(b) Defined Benefit Plan

The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with LIC. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Rs. in Lacs	
	Gratuity (Funded) March 31, 2019	Gratuity (Funded) March 31, 2018
<b>(A) Movements in present value of defined benefit obligation</b>		
Obligations as at beginning of the year	698.59	634.14
Current service cost	69.18	70.18
Interest cost	53.79	46.48
Past Service Cost	-	38.16
Plan amendment	-	-
Remeasurement {or Actuarial (gain)/Loss} arising from		
- change in financial assumption	11.30	(20.81)
- experience variance	(12.57)	0.44
- others	-	-
Benefits paid	(77.01)	(70.00)
Present value of defined benefit obligation as at end of the year	743.28	698.59
<b>(B) Movements in the fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	559.42	541.73
Investment Income	43.07	39.71
Return on plan assets, excluding amount recognised in net Interest expense	(6.30)	(6.77)
Actual contributions by the employer	155.00	54.75
Fund transferred	-	-
Employee contribution	-	-
Benefits paid	(77.01)	(70.00)
Fair value of plan assets as at end of the year	674.18	559.42
<b>(C) Amount recognized in the balance sheet</b>		
Present value of defined benefit obligation as at end of the year	743.28	698.59
Fair value of plan assets as at end of the year	674.18	559.42
Funded status {Surplus/(deficit)}	(69.10)	(139.17)
Effect of balance sheet asset limit	-	-
Unrecognised past service cost	-	-
Net asset/(liability) recognised in balance sheet	(69.10)	(139.17)
Net asset/(liability) recognised in balance sheet at beginning of the year	(139.17)	(92.41)
Expense recognised in Statement of Profit and Loss	75.48	115.11
Expense recognised in Other Comprehensive Income	5.03	(13.60)
Actual contributions by the employer	155.00	54.75
Net acquisition/business combination	-	-
Net asset/(liability) recognised in balance sheet at end of the year	(64.68)	(139.17)
<b>(D) Amounts recognized in the statement of profit and loss</b>		
Current service cost	69.18	70.18
Interest cost	6.30	6.77
Loss/(gain) on settlement	-	-
Past service cost	-	38.16
<b>Total</b>	75.48	115.11
<b>(E) Amounts recognised in other comprehensive income</b>		
Actuarial (gain) / loss due to		
- change in financial assumption	11.30	(20.81)
- experience variance	(12.57)	0.44
- others	-	-
Return on plan assets, excluding amount recognised in net Interest expense	6.30	6.77
Remeasurement (or actuarial (gain)/loss) arising due to asset ceiling	-	-
<b>Total</b>	5.03	(13.60)
<b>(F) Category of plan assets</b>		
Funds managed by Insurer	100%	100%



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Rs. in Lacs			
	Gratuity (Funded) March 31, 2019		Gratuity (Funded) March 31, 2018	
<b>(G) Sensitivity analysis</b>				
DBO on base assumptions		743.28		698.59
A. Discount Rate				
1. Effect due to 1.00% increase in discount rate	-7.41%	689.84	-7.41%	646.85
2. Effect due to 1.00% decrease in discount rate	8.29%	804.92	8.57%	758.44
B. Salary Escalation Rate				
1. Effect due to 1.00% increase in salary escalation rate	8.39%	805.65	8.68%	759.25
2. Effect due to 1.00% decrease in salary escalation rate	-7.39%	688.38	-7.62%	645.37
C. Withdrawal Rate				
1. Effect due to 50% increase in withdrawal rate	1.59%	755.13	1.85%	711.48
2. Effect due to 50% decrease in withdrawal rate	-1.78%	730.02	-2.07%	684.13
D. Mortality Rate				
1. Effect due to 10% increase in mortality rate	0.30%	745.49	0.36%	701.11
2. Effect due to 10% decrease in mortality rate	-0.30%	741.04	-0.37%	696.02

**(H) Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.

These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

**(I) Actuarial assumptions**

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

- i) General assumptions
  - Discount rate (per annum) 7.50% 7.70%
  - Withdrawal rate 2.00% 2.00%
  - Rate of increase in compensation 5.00% 5.00%
- ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2006-08) Ultimate.
- iii) Leave policy: Leave balance as at the end of the callender year is encashed and balance leaves earned thereafter to the extent not availed by the employees are provided in the accounts.
- iv) The discount rate should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- v) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.
- vi) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.
- vii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.
- viii) Short term compensated absences have been provided on actual basis.

**35 Expenditure on Research and Development**

Particulars	(Rs. In Lacs)	
	2018-19	2017-18
Capital Expenditure	-	-
Revenue Expenditure	45.92	42.02
<b>Total</b>	<b>45.92</b>	<b>42.02</b>

**36 Disclosure pursuant to IndAS 17 "Leases":**

(a) Where the company is Lessor

i. Operating Lease:

The company has not entered into any non-cancellable Operating Lease. The company has given Building and Factory and Plant & Machinery on cancellable operating lease. The details are as under:

Particulars	Rs. In Lacs			
	Building Factory		Plant and Machinery	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
- Net Carrying amount (WDV) as at the Balance Sheet date	16.51	18.00	14.06	14.06
- Contingent Rent recognised as Income in Statement of Profit and Loss of the year	NIL	NIL	NIL	NIL

ii. Finance Lease: The Company has not entered into any finance lease.



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**(b) Where the company is Lessee**

**i. Finance Lease:**

The company has finance lease arrangement for various land leases for terms of 70 years and 99 years . The details are as under:

Particulars	Rs. In Lacs	
	Land Leasehold	
	31.03.2019	31.03.2018
- Net Carrying amount as at the Balance Sheet date	1,195.40	1,209.64
- Contingent Rent recognised as expense in Statement of Profit and Loss of the year	NIL	NIL

ii. **Operating Lease:** The Company has not entered into any non-cancellable operating leases.

**37 Financial Instruments**

**(i) Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance , cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

Particulars	(Rs. In Lacs)	
	As at March 31, 2019	As at March 31, 2018
Debt	20,947.08	21,961.85
Less: Cash and cash equivalent	1,286.65	1,118.33
Net debt (A)	19,660.43	20,843.52
Total equity (B)	32,310.99	30,074.84
Debt Equity Ratio (A/B)	0.61	0.69

**(ii) Categories of financial instruments**

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.
- Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Particulars	(Rs. In Lacs)			
	As at March 31, 2019		As at March 31, 2018	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial Assets</b>				
Financial assets measured at fair value				
Investments measured at				
i. Fair value through other comprehensive income		242.82		253.90
ii. Fair value through profit and loss		0.07		0.14
Financial assets measured at amortized cost				
Trade Receivables	14,856.05		15,418.37	
Cash and cash equivalents	1,286.65		1,118.33	
Bank balances other than cash and cash equivalents	3,035.67		3,095.72	
Other financial assets	3,827.94		2,834.73	
<b>Total</b>	<b>23,006.31</b>	<b>242.89</b>	<b>22,467.15</b>	<b>254.04</b>
<b>Financial Liabilities</b>				
Financial liabilities measured at amortized cost				
Borrowings	20,947.08	-	21,961.85	-
Trade payables	12,600.88	-	13,496.21	-
<b>Other financial liabilities</b>	<b>2,748.79</b>	<b>-</b>	<b>2,545.29</b>	<b>-</b>
<b>Total</b>	<b>36,296.75</b>	<b>-</b>	<b>38,003.35</b>	<b>-</b>



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Rs. In Lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(iii) Income, expenses, gains or losses on financial instruments</b>		
Financial assets measured at amortized cost		
Allowances for doubtful receivables	11.78	5.23
Financial assets measured at fair value through Profit and Loss		
- Fair value gain/ (loss) on investments in equity instruments	(0.07)	0.06
- Fair value gain/ (loss) on investments in debt instruments	-	-
Financial assets measured at fair value through Other Comprehensive Income		
- Fair value gain/ (loss) on investments in equity instruments	(11.09)	126.64

Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Particulars	(Rs. In Lacs)			
	Level 1	Level 2	Level 3	Total
As at March 31, 2019				
<b>Assets at fair value</b>				
Investments measured at				
i. Fair value through other comprehensive income	-	NA	242.82	242.82
ii. Fair value through profit and loss	0.07	NA	-	0.07
As at March 31, 2018				
<b>Assets at fair value</b>				
Investments measured at				
i. Fair value through other comprehensive income	-	NA	253.90	253.90
ii. Fair value through profit and loss	0.14	NA	-	0.14

**(iii) Financial risk management objectives:**

The Company's principal financial liabilities comprise of loan from banks and financial institutions, and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

**(a) Credit risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

**Trade and Other receivables**

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term upto 150 days. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

**Expected credit loss assessment for customers:**

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	(Rs. In Lacs)	
	2018-19	2017-18
Opening Balance	238.57	151.19
Impairment loss as per ECL recognised/(reversed)	11.78	5.23
Additional Provision	-	124.30
Amounts written off as bad debts	(88.22)	(42.15)
<b>Closing Balance</b>	<b>162.13</b>	<b>238.57</b>



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and derivative contracts.

The Company held cash and cash equivalents of Rs. 1,286.65 Lacs at March 31, 2019 (March 31, 2018: Rs. 1,118.33 Lacs,). Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

#### (b) Market risk:

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

#### (i) Foreign currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Company's exposure is mainly denominated in USD, GBP and Euro. The exchange rates have changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. The Company uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rate.

The Company do not use derivative financial instruments for trading or speculative purposes.

#### (ii) Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

#### Interest rate sensitivity analysis:

As at March 31, 2019 interest bearing financial liability (secured loan from banks) stood at Rs. 20,947.08 Lacs, was subject to variable interest rates. Increase/decrease of 50 basis points in interest rates at the balance sheet date would result in decrease/increase in profit before tax of Rs. 104.74 Lacs.

"The risk estimates provided assume a parallel shift of 50 basis points interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

#### Fair value of financial instruments:

All financial assets are initially recognized at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non-derivative financial assets are carried at fair value, gains and losses on re-measurement are recognized directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognized directly in the standalone statement of profit and loss. Financial assets are designated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognized at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortized cost.

#### (iii) Liquidity risk:

The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has a overdraft facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

#### Liquidity table:

Liquidity tables drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay is disclosed at Note no. 43.

#### (iv) Other price risk:

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2019. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

#### (v) Equity price sensitivity analysis:

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

### 38 Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent assets":

The company has recognised contingent liabilities as disclosed in Note 33 above and as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the year.

### 39 Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

There are no such asset held for sale and discontinued operations.



**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**40 Disclosure of related parties/related party transactions/balances pursuant to Ind AS 24 "Related Party Disclosures"**

**(A) Name of Related Parties and nature of relationship**

**i. Joint Ventures**

Nil

**ii. Associates with whom transactions were carried out during the year**

Proportion of voting power held by co.

	31.03.19	31.03.18
a) Unnao Tanneries Pollution Control Company (A company registered under Section 25 of erstwhile the Companies Act, 1956)	34.05%	34.05%
b) Steven Construction Ltd.	46.67%	46.67%
c) Amin International Ltd.	31.13%	31.13%
d) Knowledgehouse Ltd.	31.85%	31.85%
e) Creemos International Ltd.	48.63%	48.63%

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

a) Mr. Mukhtarul Amin – Chairman & Managing Director	h) Mr. Deepak Sanan (Son of Mr. Vinay Sanan)
b) Mr. Zafarul Amin – Jt. Managing Director (Son of Mr. Mukhtarul Amin)	i) Mr. Yusuf Amin – Director (Son of Mr. Mukhtarul Amin)
c) Mr. Vinay Sanan – Executive Director	j) Mr. Akbar Waris - Director of Subsidiaries
d) Mr. A.K. Agarwal – Director (Finance) - CFO	k) Mr. A Devis - Director of Subsidiary
e) Mr. Mohd. Shadab – Deputy Managing Director	l) Mr. G Lomas - Director of Subsidiary
f) Mrs. Shahina Mukhtar – Director (Wife of Mr. Mukhtarul Amin)	m) Mr. Noain Bakshi - Director of Subsidiary
g) Mr. R. K. Agrawal - Company Secretary	

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

a) Rojus Enterprises Ltd.	b) Rivera Trendz Pvt. Ltd.	c) Patrick Shoes Limited, UK
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**(B) (i) Disclosure of related party transactions during the year (in ordinary course of business at arm length price) Summary:**

Transactions	Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
Purchases of materials / finished goods	528.00	109.40	29.71	44.87	-	-
Purchases of fixed assets	9.03	0.36	-	-	-	-
Sale of materials / finished goods	1,573.37	779.05	486.15	746.87	-	-
Sale of fixed assets	-	747.61	-	-	-	-
Services rendered / other receipts	4.39	0.90	0.12	-	-	-
Services availed	82.68	92.08	-	-	-	-
Rent paid	0.55	1.20	-	-	26.40	27.00
Rent received	1.48	0.04	1.50	0.82	-	-
Interest received	-	8.95	-	-	-	-
Remuneration/sitting fee	-	-	-	-	644.63	550.88
Gurantee Commission	-	-	-	-	81.57	-
Receivables (Net)	399.09	511.97	446.46	520.26	-	-
Payables (Trade payable & other liabilities)	-	-	-	0.76	140.33	128.09

**Investments** refer Note No. 3

**(ii) Detail of related party transactions during the year (in ordinary course of business at arm length price)**

Transactions	Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
<b>Purchases of materials / finished goods</b>						
Amin International Ltd	161.27	97.97	-	-	-	-
Creemos International Ltd.	366.73	11.43	-	-	-	-
Rojus Enterprises Ltd.	-	-	29.66	40.97	-	-
Rivera Trendz Pvt. Ltd.	-	-	0.05	1.37	-	-
Patrick Shoes Limited, UK	-	-	-	2.53	-	-
	<u>528.00</u>	<u>109.40</u>	<u>29.71</u>	<u>44.87</u>		
<b>Purchases of fixed assets</b>						
Amin International Ltd.	9.03	0.36	-	-	-	-
	<u>9.03</u>	<u>0.36</u>				
<b>Sale of materials / finished goods</b>						
Amin International Ltd	1,073.90	583.12	-	-	-	-
Creemos International Ltd.	499.47	195.93	-	-	-	-
Rojus Enterprises Ltd.	-	-	226.90	168.59	-	-
Rivera Trendz Pvt. Ltd.	-	-	-	15.93	-	-
Patrick Shoes Limited, UK	-	-	259.25	562.35	-	-
	<u>1,573.37</u>	<u>779.05</u>	<u>486.15</u>	<u>746.87</u>		
<b>Sale of fixed assets</b>						
Amin International Ltd	-	747.61	-	-	-	-
	<u>-</u>	<u>747.61</u>				
<b>Services availed</b>						
Unnao Tanneries Pollution Control Company	82.07	91.57	-	-	-	-
Creemos International Ltd.	0.61	0.51	-	-	-	-
	<u>82.68</u>	<u>92.08</u>				



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Transactions	Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.19	31.03.18	31.03.19	31.03.18	31.03.19	31.03.18
<b>Services rendered / other receipts</b>						
Amin International Ltd	3.76	0.90	-	-	-	-
Creemos International Ltd.	0.63	-	-	-	-	-
Rojus Enterprises Ltd.	-	-	0.12	-	-	-
	<u>4.39</u>	<u>0.90</u>	<u>0.12</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Rent paid</b>						
Knowledgehouse Ltd.	0.55	-	-	-	-	-
Steven Construction Ltd.	-	1.20	-	-	-	-
Mr. Mukhtarul Amin	-	-	-	-	6.60	7.20
Mrs. Shahina Mukhtar	-	-	-	-	18.00	18.00
Mr. Deepak Sanan	-	-	-	-	1.80	1.80
	<u>0.55</u>	<u>1.20</u>	<u>-</u>	<u>-</u>	<u>26.40</u>	<u>27.00</u>
<b>Rent received</b>						
Amin International Ltd	1.42	-	-	-	-	-
Knowledgehouse Ltd.	0.06	0.04	-	-	-	-
Rojus Enterprises Ltd.	-	-	1.50	0.82	-	-
	<u>1.48</u>	<u>0.04</u>	<u>1.50</u>	<u>0.82</u>	<u>-</u>	<u>-</u>
<b>Interest received</b>						
Steven Construction Ltd.	-	8.95	-	-	-	-
	<u>-</u>	<u>8.95</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Remuneration/sitting fee</b>						
Mr. Mukhtarul Amin	-	-	-	-	126.68	111.06
Mrs. Shahina Mukhtar	-	-	-	-	43.08	33.60
Mr. Zafarul Amin	-	-	-	-	51.48	37.88
Mr. Vinay Sanan	-	-	-	-	31.03	30.23
Mr. A.K. Agarwal	-	-	-	-	15.34	15.20
Mr. Mohd. Shadab	-	-	-	-	30.15	30.65
Mr. Yusuf Amin - Sitting Fee	-	-	-	-	0.03	0.03
Mr. Akbar Waris - Director of Subsidiaries	-	-	-	-	68.46	68.82
Mr. A Devis - Director of Subsidiary	-	-	-	-	114.97	111.94
Mr. G Lomas - Director of Subsidiary	-	-	-	-	95.99	81.83
Mr. Noain Bakshi - Director of Subsidiary	-	-	-	-	37.19	-
Mr. R.K. Agrawal	-	-	-	-	12.23	11.64
Mr. Deepak Sanan	-	-	-	-	18.00	18.00
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>644.63</u>	<u>550.88</u>
<b>Guarantee Commission</b>						
Mr. Mukhtarul Amin	-	-	-	-	27.25	-
Mrs. Shahina Mukhtar	-	-	-	-	27.07	-
Mr. Zafarul Amin	-	-	-	-	27.25	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81.57</u>	<u>-</u>
<b>(C) Outstanding balances with related parties:</b>						
<b>(i) Receivables (Net)</b>						
Amin International Ltd.	63.84	68.41	-	-	-	-
Steven Construction Ltd.	-	0.10	-	-	-	-
Creemos International Ltd.	314.54	442.95	-	-	-	-
Knowledgehouse Ltd.	1.43	-	-	-	-	-
Unnao Tanneries Pollution Control Company	19.28	0.51	-	-	-	-
Rojus Enterprises Ltd.	-	-	294.72	217.20	-	-
Patrick Shoes Limited, UK	-	-	151.74	303.06	-	-
	<u>399.09</u>	<u>511.97</u>	<u>446.46</u>	<u>520.26</u>	<u>-</u>	<u>-</u>
<b>(ii) Payables (Trade payable &amp; other liabilities)</b>						
Rivera Trendz Pvt. Ltd.	-	-	-	0.76	-	-
Mr. Mukhtarul Amin	-	-	-	-	32.88	55.82
Mrs. Shahina Mukhtar	-	-	-	-	27.12	5.02
Mr. Zafarul Amin	-	-	-	-	25.73	2.91
Mr. Vinay Sanan	-	-	-	-	2.32	3.81
Mr. A.K. Agarwal	-	-	-	-	0.87	0.87
Mr. Mohd. Shadab	-	-	-	-	1.77	1.82
Mr. Akbar Waris - Director of Subsidiaries	-	-	-	-	11.92	15.49
Mr. A Devis - Director of Subsidiary	-	-	-	-	15.38	19.70
Mr. G Lomas - Director of Subsidiary	-	-	-	-	14.17	17.59
Mr. Noain Bakshi - Director of Subsidiary	-	-	-	-	3.05	-
Mr. R.K. Agrawal	-	-	-	-	0.79	0.73
Mr. Deepak Sanan	-	-	-	-	4.33	4.33
	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.76</u>	<u>140.33</u>	<u>128.09</u>





**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

- (D) No amount has been written off/back or provided as doubtful debts during the year in respect of related parties.
- (E) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

**41 Disclosure pursuant to Ind AS 108 "Operating Segment"**

**Business Segment**

(A) The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

- (a) Leather and Leather Products comprises Finished Leather, Leather Shoes, Leather Uppers and other Leather Goods.
- (b) Textile Garments comprises Textile garments, riding accessories etc.

The above business segments have been identified considering :

- (a) the nature of products
- (b) the differing risks and returns
- (c) the internal organization and management structure, and
- (d) the internal financial reporting systems

The measurement principles of segments are consistent with those used in Significant Accounting Policies. There are no inter segment transfer.

Particulars	Leather and Leather Products		Textile Garments		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>REVENUE</b>						
Segment Revenue	61,580.26	56,315.96	8,605.57	10,227.29	70,185.83	66,543.25
Intra Segment Revenue	-	-	-	-	-	-
Eliminations	-	-	-	-	-	-
Net Revenue	61,580.26	56,315.96	8,605.57	10,227.29	70,185.83	66,543.25
<b>RESULTS</b>						
Profit/ loss before tax and finance cost	4,746.33	4,310.69	359.23	187.11	5,105.56	4,497.80
Less: Finance Cost	1,364.00	1,461.73	571.55	550.15	1,935.55	2,011.88
Less: Exceptional items	-	-	-	-	-	-
Total profit/(loss) before tax	3,382.33	2,848.96	(212.32)	(363.04)	3,170.01	2,485.92
Provision for taxation						
- Current					943.07	644.02
- Deferred tax					150.00	78.36
- Tax Adjustment relating to earlier years					(13.32)	0.39
Net Profit for the year					2,090.26	1,763.15
<b>Other information</b>						
Assets	61,152.61	60,794.18	10,006.28	10,200.44	71,158.89	70,994.62
Liabilities	31,876.21	33,775.15	6,971.68	7,144.63	38,847.89	40,919.78
Capital expenditure	1,010.16	702.08	201.58	312.77	1,211.74	1,014.85
Depreciation	1,251.41	1,274.71	286.65	281.53	1,538.06	1,556.24
Impairment	-	-	-	-	-	-

**(B) Additional Information by Geographies**

Although the Company's operations are managed by product area, we provide additional information based on geographies.

Particulars	With in India		Outside India		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
External	14,169.95	13,712.61	56,015.88	52,830.64	70,185.83	66,543.25
Intra Segment	-	-	-	-	-	-
Total	14,169.95	13,712.61	56,015.88	52,830.64	70,185.83	66,543.25

(C) All non current assets of the Company are located in India.

**(D) Revenue from major customers**

The Company is not reliant on revenues from transactions with any single customer and does not receive 10% or more of its revenue from transactions with any single customer.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

42 Additional information pursuant to Schedule III to the Act for the year ended March 31, 2019 of enterprises consolidated as subsidiary and associates

Name of the company	Net Assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (Rs. In Lacs)	As % of consolidated profit or loss	Amount (Rs. In Lacs)	As % of consolidated other comprehensive income	Amount (Rs. In Lacs)	As % of consolidated total comprehensive income	Amount (Rs. In Lacs)
<b>Parent Company</b>								
Superhouse Limited	89.25%	28,836.19	91.56%	1,913.84	100.00%	(3.48)	91.55%	1,910.36
<b>Subsidiaries - Foreign</b>								
Superhouse (U.K.) Ltd., UK	2.30%	743.66	2.26%	47.22	-	-	2.26%	47.22
Superhouse (USA) International Inc., USA	0.08%	27.29	0.23%	4.91	-	-	0.24%	4.91
Superhouse Middle East FZC, Azman	3.02%	974.84	5.08%	106.14	-	-	5.09%	106.14
Briggs Industrial Footwear Ltd. (U.K.)	9.16%	2,960.74	7.00%	146.40	-	-	7.02%	146.40
Linea De Seguridad S.L.U., Spain	2.70%	872.60	-4.37%	(91.43)	-	-	-4.38%	(91.43)
Superhouse GMBH, Germany	0.02%	8.06	0.36%	7.49	-	-	0.36%	7.49
La Compagnie Francaise De Protection SRL, France	0.93%	301.30	0.27%	5.62	-	-	0.27%	5.62
<b>Total Subsidiaries</b>		<b>34,724.68</b>		<b>2,140.19</b>	<b>100%</b>	<b>(3.48)</b>		<b>2,136.71</b>
Non controlling interest in all the subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Associates</b>								
(on the basis of last audited balance sheet as at 31.03.2018)								
Unnao Tanneries Pollution Control Company	0.05%	15.31	Note-A	Note-A	Note-A	Note-A	Note-A	Note-A
Steven Construction Ltd.	0.98%	315.17	0.98%	20.50	-	-	0.98%	20.50
Amin International Ltd.	2.14%	693.07	6.31%	131.94	-	-	6.32%	131.94
Knowledgehouse Ltd.	1.19%	385.80	4.25%	88.94	-	-	4.26%	88.94
Creemos International Ltd.	0.82%	263.78	2.12%	44.31	-	-	2.12%	44.31
<b>Total Associates</b>		<b>1,673.13</b>		<b>285.69</b>	-	-		<b>285.69</b>
CFS Adjustment and elimination	-7.47%	(2,413.69)	-16.06%	(335.62)			-16.08%	(335.62)
<b>Total</b>		<b>32,310.99</b>		<b>2,090.26</b>		<b>(3.48)</b>		<b>2,086.78</b>

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

43 Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements".

(Rs. In Lacs)

Particulars	Note No.	As at March 31, 2019			As at March 31, 2018		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:							
Borrowings		17,287.05	3,660.03	20,947.08	17,725.05	4,236.80	21,961.85
Trade and other payables		12,600.88	-	12,600.88	13,496.21	-	13,496.21
Other financial liabilities		2,748.79	-	2,748.79	2,545.29	-	2,545.29
(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:							
Inventories		20,212.24	-	20,212.24	20,543.98	-	20,543.98
Trade Receivable		14,856.05	-	14,856.05	15,418.37	-	15,418.37
Other Financial Assets		3,827.94	-	3,827.94	2,834.73	-	2,834.73
Other Current Assets		1,275.80	-	1,275.80	1,246.10	-	1,246.10

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

As per our attached report of even date

For Rajeev Prem & Associates,

Chartered Accountants  
Firm Reg. No. 008905C

Rajeev Kapoor

Partner  
M. No. 077827

Place : Kanpur  
Dated : July 06, 2019

For and on behalf of the Board

MUKHTARUL AMIN

Chairman and Managing Director

ZAFARUL AMIN

Joint Managing Director

A. K. AGARWAL

Chief Financial Officer

R. K. AGRAWAL

Company Secretary



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

(Rs. in Lacs)

S. No.	Name of Subsidiary Company	Superhouse (UK) Limited	Superhouse (USA) International INC.	Superhouse Middle East FZC	Briggs Industrial Footwear Ltd., U.K.	Linea De Seguridad SLU, Spain	Superhouse GMBH Germany	LA Compagnie Francaise De Protection SRL, France
1	Financial year ending on	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019
2	Date of Acquisition	01.04.1999	26.06.2001	19.10.2005	06.05.2011	21.09.2012	27.01.2012	02.08.2017
3	Reporting Currency and Exchange Rate as on the last date of the Financial Year in case of Foreign Subsidiaries.	GBP / ₹ 90.15	USD / ₹ 69.16	AED / ₹ 18.89	GBP / ₹ 90.15	EURO / ₹ 77.59	EURO / ₹ 77.59	EURO / ₹ 77.59
4	Average yearly rate for Profit and Loss item translation	GBP / ₹ 91.75	USD / ₹ 69.93	AED / ₹ 19.01	GBP / ₹ 91.75	EURO / ₹ 80.93	EURO / ₹ 80.93	EURO / ₹ 80.93
5	Share Capital	106.19	50.26	24.19	1,344.61	283.55	17.01	321.05
6	Other Equity/Reserves & Surplus (as applicable)	637.47	(22.97)	950.65	1,616.13	589.05	(8.95)	(19.75)
7	Liabilities	1,444.39	0.99	632.46	3,744.38	1,653.81	9.24	801.90
8	<b>Total Liabilities</b>	<b>2,188.05</b>	<b>28.28</b>	<b>1,607.30</b>	<b>6,705.12</b>	<b>2,526.41</b>	<b>17.30</b>	<b>1,103.20</b>
9	<b>Total Assets</b>	<b>2,188.05</b>	<b>28.28</b>	<b>1,607.30</b>	<b>6,705.12</b>	<b>2,526.41</b>	<b>17.30</b>	<b>1,103.20</b>
10	Investments	-	-	-	-	-	-	-
11	Turnover (including other income)	2,839.79	120.63	2,143.47	7,337.03	1,256.16	71.35	1,488.55
12	Profit/(Loss) Before Taxation	85.72	4.91	106.14	192.11	(91.75)	6.67	5.62
13	Provision for Taxation	38.50	-	-	45.71	(0.32)	(0.82)	-
14	Profit/(Loss) After Taxation	47.22	4.91	106.14	146.40	(91.43)	7.49	5.62
15	Proposed Dividend	4.03	-	-	45.89	-	-	-
16	Percentage of Shareholding	100%	100%	100%	100%	100%	100%	100%

**NOTES:**

- 1) Reporting period of the subsidiaries is the same as that of the Company.
- 2) Balance Sheet items have been translated at the exchange rate as on the last day of financial year.

For and on behalf of the **Board**

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

Place: Kanpur  
Date: 6th July, 2019

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

**R. K. AGRAWAL**  
Company Secretary



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

**PART "B" ASSOCIATES AND JOINT VENTURES**

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

S. No.	Name of Associates/ Joint Venture Company	Steven Construction Limited Rupees	Knowledgehouse Limited Rupees	Amin International Limited Rupees	Creemos International Limited Rupees	Unnao Tanneries Pollution Control Company Rupees
<b>I.</b>	<b>ASSOCIATE COMPANIES:</b>					
1	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
2	<b>Shares of Associate/Joint Ventures held by the company on the year end</b>					
	- Number of shares	2,100,000	860,000	304,900	836,400	153,080
	- Amount of Investment in Associates (Rs. in Lacs)	210.00	86.00	30.49	100.37	15.31
	- Total number of shares	4,500,000	2,700,000	979,400	1,720,000	449,632
	- Extent of Holding %	46.67%	31.85%	31.13%	48.63%	34.05%
3	Description of how there is significant influence	Associate	Associate	Associate	Associate	Associate
4	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	Note-D
5	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. in Lacs)	303.57	391.52	890.19	208.01	51.15
6	<b>Profit/(Loss) for the year (Rs. in Lacs)</b>	<b>43.94</b>	<b>279.24</b>	<b>423.84</b>	<b>91.13</b>	<b>35.69</b>
	i) Considered in Consolidation	20.51	88.94	131.94	44.32	-
	ii) Not Considered in Consolidation (Refer Note-"C & D)	23.43	190.30	291.90	46.81	35.69
<b>II.</b>	<b>JOINT VENTURES:</b>	N.A.	N.A.	N.A.	N.A.	N.A.

**NOTE:**

- A) Names of associates or joint ventures which are yet to commence operations - Nil
- B) Names of associates or joint ventures which have been liquidated or sold during the year - Nil
- C) Share of profit/(loss) has not been considered in accordance with Ind AS 28- Investments in Associates and Joint Ventures.
- D) Unnao Tanneries Pollution Control Company is a company registered under section 25 as the Companies Act, 1956 (Corresponds to Section 8 of the Companies Act, 2013) and it operates under severe long term restrictions that significantly impair its ability to transfer funds to the company.

For and on behalf of the **Board**

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

Place: Kanpur  
Date: 6th July, 2019

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

**R. K. AGRAWAL**  
Company Secretary



## NOTICE

Notice is hereby given that the thirty-ninth Annual General Meeting of the members of the Company will be held on Monday the 30<sup>th</sup> September, 2019 at 10.00 A.M. at the Office of the Company at 219/ 3 & 4 'L' Block, Naveen Nagar, Kakadeo, Kanpur-208 025, to transact the following business: -

### Ordinary Business

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon and in this regard, pass the following resolutions as **Ordinary Resolutions**:

(a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

(b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To declare a dividend on equity shares for the financial year ended March 31, 2019 and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** a dividend at the rate of Rs. 1/- (Rupee one only) per equity share of Rs. 10/- (Rupees ten) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2019 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2019."

3. To appoint Mr. Zafarul Amin, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Zafarul Amin (DIN: 00015533), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. To appoint Mr. Mohammad Shadab, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mohammad Shadab (DIN: 00098221), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### Special Business:

5. To re-appoint Mr. Syed Javed Ali Hashmi (DIN: 00014726) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

("SEBI Listing Regulations"), as amended from time to time, Mr. Syed Javed Ali Hashmi (DIN: 00014726), who was appointed as an Independent Director at the thirty fourth Annual General Meeting of the Company and who holds office as an Independent Director up to 22nd September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 23<sup>rd</sup> September, 2019 up to 22<sup>nd</sup> September, 2024."

6. To re-appoint Mr. Dilip Kumar Dheer (DIN: 03341879) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Dilip Kumar Dheer (DIN: 03341879), who was appointed as an Independent Director at the thirty fourth Annual General Meeting of the Company and who holds office as an Independent Director up to 22nd September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 23<sup>rd</sup> September, 2019 up to 22<sup>nd</sup> September, 2024."

7. To re-appoint Mr. Anil Soni (DIN: 00023188) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Anil Soni (DIN: 00023188), who was appointed as an Independent Director at the thirty fourth Annual General Meeting of the Company and who holds office as an Independent Director up to 22nd September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 23<sup>rd</sup> September, 2019 up to 22<sup>nd</sup> September, 2024."



8. To re-appoint Mr. Nemi Chand Jain (DIN: 00031283) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that Mr. Nemi Chand Jain (DIN: 00031283), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 1<sup>st</sup> April, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Article 28 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

"RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Nemi Chand Jain (DIN: 00031283), who was appointed as an Independent Director at the thirty fourth Annual General Meeting of the Company and whose term of office expired on 31<sup>st</sup> March, 2019, pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 1<sup>st</sup> April, 2019 up to 31<sup>st</sup> March, 2024."

9. To re-appoint Dr. Krishan Kumar Agarwal (DIN: 00022719) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Dr. Krishan Kumar Agarwal (DIN: 00022719), who was appointed as an Independent Director at the thirty fourth Annual General Meeting of the Company and who holds office as an Independent Director up to 22<sup>nd</sup> September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 23<sup>rd</sup> September, 2019 up to 22<sup>nd</sup> September, 2024."

10. To re-appoint Mr. Kamal Agarwal (DIN: 00022904) as an Independent Director and in this regard to consider and if thought fit, to pass, with or

without modification(s), the following resolution as a **Special Resolution**: "RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Kamal Agarwal (DIN: 00022904), who was appointed as an Independent Director at the thirty fourth Annual General Meeting of the Company and who holds office as an Independent Director up to 22<sup>nd</sup> September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 23<sup>rd</sup> September, 2019 up to 22<sup>nd</sup> September, 2024."

- 11- To re-appoint Mr. Mukhtarul Amin (DIN: 00012108) as Chairman and Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Mukhtarul Amin (DIN: 00012108) as Chairman and Managing Director of the Company for a period of 2 years and 6 months effective from 1<sup>st</sup> April, 2020 to 30<sup>th</sup> September, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mukhtarul Amin.

RESOLVED FURTHER that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

12. To re-appoint Mr. Zafarul Amin (DIN: 00015533) as Whole time Director designated as Joint Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Zafarul Amin (DIN: 00015533) as Whole time Director designated as Joint Managing Director of the Company for a period of 2 years and 6 months effective from 1<sup>st</sup> April, 2020 to 30<sup>th</sup> September, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Zafarul Amin.



RESOLVED FURTHER that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

13. To re-appoint Mr. Mohammad Shadab (DIN: 00098221) as Whole time Director designated as Deputy Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Mohammad Shadab (DIN: 00098221) as Whole time Director designated as Deputy Managing Director of the Company for a period of 3 Years effective from 1<sup>st</sup> October, 2019 to 30<sup>th</sup> September, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mohammad Shadab.

RESOLVED FURTHER that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

14. To re-appoint Mr. Vinay Sanan (DIN: 00014536) as Whole Time Director designated as Executive Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel ) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Vinay Sanan (DIN: 00014536) as Whole time Director designated as Executive Director of the Company for a period of 2 years and 6 months effective from 1<sup>st</sup> April, 2020 to 30<sup>th</sup> September, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Vinay Sanan.

RESOLVED FURTHER that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

15. To re-appoint Mr. Anil Kumar Agarwal (DIN: 00014645) as Whole Time Director designated as Chief Financial Officer and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Anil Kumar Agarwal (DIN: 00014645) as Whole time Director designated as Chief Financial Officer of the Company for a period of 2 years and 6 months effective from 1<sup>st</sup> April, 2020 to 30<sup>th</sup>

September, 2022 on the terms and conditions including remuneration as set out in the statement annexed to the notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Anil Kumar Agarwal.

RESOLVED FURTHER that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

16. To approve holding of place of profit and in this regard to consider and if thought fit to pass, with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 and the rules and regulations including the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, as approved and recommended by the Nomination and Remuneration Committee and Audit Committee and subject to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the consent of the members of the company be and is hereby accorded to the board of directors to pay guarantee commission to all the guarantors, including directors and their relatives, up to 0.5% per annum per guarantor of credit facilities availed by the Company from the bank(s) and financial institution(s), against the personal guarantee of the concerned Director(s)/Relative(s), given in compliance of terms and conditions of the bank(s)/financial institution(s).

RESOLVED FURTHER that the board of directors of the company be and hereby authorized to approve the holding of place of profit in the company, its subsidiary company or associate company by the directors and their relatives up to the amount, as may be decided by the board of directors of the company, but not exceeding Rs 100.00 lacs per annum per person.

RESOLVED FURTHER that the action of the board of directors of the company to approve the payment of guarantee commission and holding of place of profit in the company, its subsidiary company or associate company, as mentioned in the Explanatory Statement, be and is hereby approved and ratified."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.

17. To approve loans, investments, guarantee or security under sections 185 and 186 of Companies act, 2013 and in this regard to consider and, if thought fit, to pass the following resolution, with or without Modification(s) as a **Special Resolution**:

"RESOLVED THAT pursuant to Sections 185, 186 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, the consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which terms shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security, in connection with any loan taken by any subsidiary or associate or joint venture of the Company or any entity in which any director is deemed to be interested up to an aggregate sum of Rs100 Crores (Rupees One Hundred Crores Only) inclusive of existing



loan/guarantee/security, to any such entity, in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities."

"RESOLVED FURTHER THAT the action of the board of directors to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any such entity as mentioned above be and is hereby approved and ratified."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

- 18. To approve cancellation of forfeited shares and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of the Articles of Association of the Company, including Table F of Schedule I of the Companies Act, 2013 as applicable to the Company and other applicable provisions of the laws, if any, 3947718 Equity Shares of face value of Rupees 10/- each, as forfeited by the board of directors of the company for non-payment of Call Money, be and is hereby cancelled from the issued, subscribed and paid-up capital of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

Date : 6th July, 2019
Place : Kanpur.

By Order of the Board
(R. K. AGRAWAL)
Company Secretary

NOTES:-

- 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote 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 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. The holder of proxy shall prove his identity at the time of attending the Meeting.

- 2. Details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice pursuant to Regulations 36 (3) and 26(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. A Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

- 4. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. In terms of Section 152 of the Act, Mr. Zafarul Amin and Mr. Mohammad Shadab, Directors, retire by rotation at the Meeting and being eligible, offer themselves for re-appointment. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company commend their respective re-appointments. Details of Directors retiring by rotation/ seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
6. The Company has notified closure of Register of Members and Share Transfer Books from Monday the 16th September, 2019 to Monday the 30th September, 2019 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting. The dividend on equity shares, if, declared at the Annual General Meeting as recommended by the Board of Directors, will be credited/dispached between Tuesday the 1st October,2019 and Saturday the 5th October, 2019 to the members.
7. The Company has transferred the unpaid or unclaimed dividend declared up to financial years 2010-11 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed amounts lying with the Company as on 29th September, 2018 (date of last Annual General Meeting) on the website of the Company and the same can be accessed through the link http://www.superhouse.in/invest-dividend.asp?links=links14 and also on the website of the Ministry of Corporate Affairs (www.iepf.gov.in).
8. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2018-19 , transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link http://www.superhouse.in/invest-dividend.asp?links=links14. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: http://www.iepf.gov.in.

The details of Equity shares transferred to IEPF till date and resultant benefits arising out of shares already transferred to the IEPF are as follows:

Table with 3 columns: Years, Number of Equity shares transferred, Amount of dividend transferred in respect of shares transferred to IEPF. Rows for 2017-18 and 2018-19.

Except dividend as mentioned above, no other benefit such as bonus, stock split, consolidation or fractional entitlement are accrued on the shares transferred to the IEPF.

- 9. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned member/investors are advised to visit the weblink: http://www.iepf.gov.in/IEPF/refund.html or contact Skyline Financial Services Private Limited for lodging claim for refund of shares and/or dividend from the IEPF Authority.





10. During the year, the company transferred Rs. 18,45,666.00 to the Investor Education and Protection Fund (The IEPF) for the financial year ended 31<sup>st</sup> March, 2011. The unclaimed and unpaid dividends declared for 2011-12 and thereafter will be transferred to the Investor Education and Protection Fund (The IEPF) as detailed below, if not claimed by the shareholders before last date for claiming unpaid dividend. Members who have not encashed/claimed the dividend so far are requested to claim at the earliest.

Financial Year Ended	Date of Declaration of Dividend	Due Date	Unclaimed Dividend Rs in Lacs (as on 31.03.2019)
31.03.2012	29.09.2012	31.10.2019	19.27
31.03.2013	30.09.2013	04.11.2020	19.65
31.03.2014	23.09.2014	24.10.2021	19.77
31.03.2015	23.09.2015	26.10.2022	20.25
31.03.2016	30.09.2016	31.10.2023	21.21
31.03.2017	29.09.2017	01.11.2024	14.20
31.03.2018	29.09.2018	30.10.2025	6.62
<b>Total</b>			<b>120.97</b>

11. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company, electronically.

12. **Members holding shares in physical mode:**

- (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company/Skyline Financial Services Private Limited, if not registered with the Company as mandated by SEBI.
- (b) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website and can be accessed at link <http://www.superhouse.in/pdf/Nominations.pdf>

13. **Members holding shares in electronic mode:**

- (a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts

(b) are advised to contact their respective DPs for registering the nomination.

14. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company/Registrar has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

15. Non-Resident Indian members are requested to inform Skyline Financial Services Private Limited/respective DPs, immediately of:

- (a) Change in their residential status on return to India for permanent settlement.
- (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

16. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. The Annual Report, Notice of AGM, Proxy Form and Attendance Slip are also available at the Company's website at [www.superhouse.in](http://www.superhouse.in).

17. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company during the office hours on all working days between 10.00 AM to 3.00 PM up to the date of conclusion of Annual General Meeting.

18. **The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information and instructions relating to e-voting are provided at the end of this notice. Details of user id and password relating to e-voting are being sent, separately. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. The members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.**

Date : 6th July, 2019  
Place : Kanpur.

By Order of the Board  
(R. K. AGRAWAL)  
Company Secretary

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

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

**ITEM NO. 5 to 10**

Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) were appointed as Independent Directors of the Company to hold office for 5(five) consecutive years up to 22<sup>nd</sup> September, 2019. Pursuant to regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Nemi Chand Jain (Date of Birth 16<sup>th</sup> May, 1939) ceased from the office of the Independent and non-executive director with effect from 31<sup>st</sup> March, 2019, as he has attained the age of 75 years. Mr. Nemi Chand Jain was further appointed as an additional director(Non-Executive and Independent) by the board of directors of the company with effect from 1<sup>st</sup> April, 2019.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar

Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of all of them, including Mr Nemi Chand Jain who has attained the age of 75 years, would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Directors. Accordingly, it is proposed to re-appoint Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) as an Independent Directors of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain



(DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declaration from all of them that they met the criteria of independence as prescribed both under Section 149(6) of the Act and under clause (b) of sub-regulation (1) of regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all the Independent Directors, proposed to be re-appointed, fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. All of them are independent of the management.

Details of Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904), are provided in the "Annexure" to the Notice. They shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participating in the Board.

Copy of draft letters of appointment of Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) are interested in the resolution set out respectively at Item Nos. 5 to 10 of the Notice with regard to their respective reappointments.

Relatives of Mr. Syed Javed Ali Hashmi (DIN: 00014726), Mr. Dilip Kumar Dheer (DIN: 03341879), Mr. Anil Soni (DIN: 00023188), Mr. Nemi Chand Jain (DIN: 00031283), Dr. Krishan Kumar Agarwal (DIN: 00022719) and Mr. Kamal Agarwal (DIN: 00022904) may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 to 10 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board commends the Special Resolutions set out at Item Nos. 5 to 10 of the Notice for approval by the members.

#### **ITEM NO. 11**

The Board of Directors of the Company ("the Board") at its meeting held on 6<sup>th</sup> July, 2019 has, subject to approval of members by special resolution, re-appointed Mr. Mukhtarul Amin (DIN: 00012108) as a Chairman and Managing Director, for a further period of 2 (two) years and 6 (six) months from the expiry of his present term, i.e. 31<sup>st</sup> March, 2020, on terms and conditions including remuneration as recommended by the, Nomination and Remuneration Committee (the 'NR Committee') of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Mukhtarul Amin as a Chairman and Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Mukhtarul Amin are as under:

#### **POWERS AND DUTIES:-**

The Chairman and Managing Director will have the substantial powers of

management.

In pursuance of and subject to the Articles of Association of the company, provisions of the Companies Act, 2013 and rules made thereunder the Chairman and Managing Director will exercise all the powers as may be exercised by the Board of Directors of the Company.

The Chairman and Managing Director shall exercise his powers subject to the superintendence control and direction of the Board of Directors.

#### **REMUNERATION:-**

The under mentioned remuneration shall be payable to Mr. Mukhtarul Amin, Chairman and Managing Director of the company:-

#### **SECTION-I**

#### **REMUNERATION PAYABLE WHEN THE COMPANY HAS PROFITS :-.**

The Remuneration by way of Salary, Dearness Allowance, Perquisites, Commission and Other Allowances as may be finalized by the Board of Directors in consultation with the appointee, which shall not exceed 5(five) % of net profit of the company.

#### **SECTION-II**

#### **REMUNERATION PAYABLE WHEN THE COMPANY HAS NO PROFIT OR INADEQUATE PROFITS:-**

##### **a. SALARY :**

Rs. 8,00,000/- per month. The board of directors may increase the salary of Mr. Mukhtarul Amin from time to time.

##### **b. PROVIDENT FUND:**

Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

##### **c. GRATUITY:**

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

##### **d. LEAVE ENCASHMENT:**

The Encashment of leave at the end of the tenure will be allowed in accordance with the rules of the Company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Mukhtarul Amin under Section 190 of the Act.

Details of Mr. Mukhtarul Amin are provided in the "Annexure" to the Notice pursuant to (i) Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Provisions of schedule V of the Companies Act, 2013.

Mr. Mukhtarul Amin is interested in the resolution set out at Item No. 11 of the Notice.

Mr. Zafarul Amin, Joint Managing Director, Mr. Mohammad Shadab, Deputy Managing Director and Mrs. Shahina Mukhtar and Mr. Yusuf Amin, directors of the company, being related to Mr. Mukhtarul Amin may be deemed to be interested in the resolution. The other relatives of Mr. Mukhtarul Amin may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

#### **ITEM NO. 12**

The Board of Directors of the Company ("the Board") at its meeting held on 6<sup>th</sup> July, 2019 has, subject to approval of members by special resolution, re-appointed Mr. Zafarul Amin (DIN: 00015533) as a Whole Time Director, designated as Joint Managing Director, for a further period of 2 (two) years and



6 (six) months from the expiry of his present term, i.e. 31<sup>st</sup> March, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NR Committee') of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Zafarul Amin as a Whole Time Director, designated as a Joint Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Zafarul Amin are as under:

**POWERS AND DUTIES:-**

The Joint Managing Director shall exercise such powers and duties as may be entrusted upon by the Board of Directors of the company from time to time.

The Joint Managing Director shall exercise his powers subject to the superintendence control and direction of the Board of Directors.

**REMUNERATION:-**

The under mentioned remuneration shall be payable to Mr. Zafarul Amin, Joint Managing Director of the company:-

**SECTION-I**

**REMUNERATION PAYABLE WHEN THE COMPANY HAS PROFITS:-**

The Remuneration by way of Salary, Dearness Allowance, Perquisites, Commission and Other Allowances as may be finalized by the Board of Directors in consultation with the appointee, which shall not exceed 2.50 percent of net profit of the company.

**SECTION-II**

**REMUNERATION PAYABLE WHEN THE COMPANY HAS NO PROFIT OR INADEQUATE PROFITS:-**

**a) SALARY:**

Rs. 378500/- per month. The board of directors may increase the salary of Mr. Zafarul Amin from time to time.

**b) PROVIDENT FUND:**

Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

**c) GRATUITY:**

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

**d) LEAVE ENCASHMENT:**

The Encashment of leave at the end of the tenure will be allowed in accordance with the rules of the Company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Zafarul Amin under Section 190 of the Act.

Details of Mr. Zafarul Amin are provided in the "Annexure" to the Notice pursuant to (i) Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Provisions of schedule V of the Companies Act, 2013.

Mr. Zafarul Amin is interested in the resolution set out at Item No. 12 of the Notice.

Mr. Mukhtarul Amin, Chairman and Managing Director, Mr. Mohammad Shadab, Deputy Managing Director and Mrs. Shahina Mukhtar and Mr. Yusuf Amin, directors being related to Mr. Zafarul Amin may be deemed to be interested in the resolution. The other relatives of Mr. Zafarul Amin may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial

Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 12 of the Notice for approval by the members.

**ITEM NO. 13**

The present term of appointment of Mohammad Shadab (DIN: 0098221) as a Whole Time Director designated as Deputy Managing Director expires on 31<sup>st</sup> March, 2020. The Board of Directors of the Company ("the Board") at its meeting held on 6<sup>th</sup> July, 2019 has, with the consent of Mr Mohammad Shadab, reduced the present term of appointment from 31<sup>st</sup> March, 2020 to 30<sup>th</sup> September, 2019 and subject to approval of members, re-appointed Mr. Mohammad Shadab (DIN: 0098221) as a Whole time Director designated as Deputy Managing Director, for a further period of 3 (three) years from 1<sup>st</sup> October, 2019 on the revised terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NR Committee') of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Mohammad Shadab as a Whole Time Director designated as Deputy Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Mohammad Shadab are as under:

**DUTIES :-**

Mr Mohammad Shadab, Deputy Managing Director of the company will be responsible for day to day affairs of the company and for any other responsibility/work assigned to him by the Chairman and Managing Director of the company.

**REMUNERATION: -**

The under mentioned remuneration shall be payable to Mr Mohammad Shadab, Deputy Managing Director of the company: -

**SECTION-I**

**REMUNERATION PAYABLE WHEN THE COMPANY HAS PROFITS: -**

The Remuneration by way of Salary, Dearness Allowance, Perquisites, Commission and Other Allowances as may be finalized by the Board of Directors in consultation with the appointee, which shall not exceed 2.50 percent of net profit of the company.

**SECTION-II**

**REMUNERATION PAYABLE WHEN THE COMPANY HAS NO PROFIT OR INADEQUATE PROFITS: -**

**a) BASIC SALARY :**

Rs. 1,85,000/-- per month. Further the Board of Directors may increase the remuneration from time to time.

**b) PERQUISITES :**

Mr. Mohammad Shadab, Deputy Managing Director of the company shall be entitled to undermentioned perquisites :-

**i- HOUSE RENT ALLOWANCE :-**

Mr. Mohammad Shadab, Deputy Managing Director shall be entitled to House Rent Allowance of 30% of the basic salary.

**ii- CONVEYANCE REIMBURSEMENT :-**

Mr. Mohammad Shadab, Deputy Managing Director shall be entitled for Conveyance Reimbursement Allowance up to 30% of the basic salary.

**iii- PROVIDENT FUND :-**

Mr. Mohammad Shadab, Deputy Managing Director of the company shall be entitled for contribution to the Provident Fund, in accordance with the rule of the company.



**iv- GRATUITY :-**

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

**v- LEAVE ENCASHMENT :-**

The Encashment of leave at the end of the tenure will be allowed in accordance with the rules of the Company.

**vi- MEDICAL REIMBURSEMENT:**

Expenses incurred for the Deputy Managing Director and his family, subject to a ceiling of half month's salary in a year in accordance with the rules of the Company.

**vii- LEAVE TRAVEL CONCESSION :-**

Mr. Mohammad Shadab, Deputy Managing Director of the Company shall be entitled to Leave Travel Concession in accordance with the Rules of the Company.

**viii- EX-GRATIA: -**

Mr. Mohammad Shadab, Deputy Managing Director of the company shall be entitled to Ex-gratia as per rules of the company.

**ix- CAR AND TELEPHONE :-**

The Company shall provide a car and a telephone at residence to the Deputy Managing Director of the company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Mohammad Shadab under Section 190 of the Act.

Details of Mr. Mohammad Shadab are provided in the "Annexure" to the Notice pursuant to (i) Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Provisions of schedule V of the Companies Act, 2013.

Mr. Mohammad Shadab is interested in the resolution set out at Item No. 13 of the Notice.

Mr. Mukhtarul Amin, Chairman and Managing Director, Mr. Zafarul Amin, Joint Managing Director, Mrs. Shahina Mukhtar and Mr. Yusuf Amin, directors being related to Mr. Mohammad Shadab may be deemed to be interested in the resolution. The other relatives of Mr. Mohammad Shadab may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No.13 of the Notice for approval by the members.

**ITEM NO. 14**

The Board of Directors of the Company ("the Board") at its meeting held on 6<sup>th</sup> July, 2019 has subject to approval of members, re-appointed Mr. Vinay Sanan (DIN: 00014536) as a Whole time Director designated as Executive Director, for a further period of 2 (two) years and 6 (six) months from the expiry of his present term, i.e. 31<sup>st</sup> March, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NR Committee') of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Vinay Sanan as a Whole Time Director designated as Executive Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Vinay Sanan are as under:

**DUTIES:-**

Mr. Vinay Sanan Executive Director of the company will be responsible for day to day affairs of the company and for any other responsibility/work assigned to him by the Chairman and Managing Director of the company.

**REMUNERATION :-**

**a) BASIC SALARY :**

Rs. 135000/- per month. Further the Board of Directors may increase the remuneration of Mr Vinay Sanan up to a maximum limit specified under Schedule V of the Companies Act, 2013.

**b) PERQUISITES :**

Mr. Vinay Sanan, Executive Director of the company will be entitled to under mentioned perquisites :-

**i- HOUSE RENT ALLOWANCE :-**

The Executive Director shall be entitled to House Rent Allowance of 30% of the basic salary.

**ii- CONVEYANCE REIMBURSEMENT :-**

The Executive Director shall be entitled for Conveyance Reimbursement Allowance up to 30% of the basic salary.

**iii- PROVIDENT FUND :-**

Mr. Vinay Sanan, Executive Director of the company shall be entitled for Contribution to Provident Fund in accordance with the rules of the company.

**iv- MEDICAL REIMBURSEMENT :-**

Expenses incurred for the Executive Director and his family, subject to a ceiling of half month's salary in a year in accordance with the rules of the Company.

**v- EX-GRATIA :-**

The Executive Director of the company will be entitled to Ex-gratia as per rules of the company.

**vi- CAR AND TELEPHONE :-**

The Company shall provide a car and a telephone at residence to the Executive Director of the company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Vinay Sanan under Section 190 of the Act.

Details of Mr. Vinay Sanan are provided in the "Annexure" to the Notice pursuant to (i) Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Provisions of schedule V of the Companies Act, 2013.

Mr. Vinay Sanan is interested in the resolution set out at item no. 14 of the Notice.

The relatives of Mr. Vinay Sanan may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 14 of the Notice for approval by the members.

**ITEM NO. 15**

The Board of Directors of the Company ("the Board") at its meeting held on 6<sup>th</sup> July, 2019 has, subject to approval of members, re-appointed Mr. Anil Kumar Agarwal (DIN: 00014645) as a Whole time Director designated as Chief Financial Officer, for a further period of 2 (two) years and 6 (six) months from the expiry of his present term, i.e. 31<sup>st</sup> March, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NR Committee') of the Board and approved by the Board.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Anil Kumar Agarwal as a Whole Time Director designated as Chief Financial Officer of the Company, in terms of the applicable provisions of the Act.



Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Anil Kumar Agarwal are as under:

**DUTIES :-**

Mr. Anil Kumar Agrawal shall be primarily responsible for the compliance of various provisions relating to 'Accounts' and 'Audit' given in the Companies Act, 2013 and Accounting Standards or any amendment and/or replacement thereof, financial Functions and for any other responsibility/work assigned to him by the Chairman and Managing Director of the Company.

**REMUNERATION :-**

**a) BASIC SALARY**

Rs 86500/- per month. Further, the board of directors may increase the remuneration at any time, subject to the maximum limit specified under Schedule V of the Companies Act, 2013.

**b) PERQUISITES :**

Mr. Anil Kumar Agarwal Chief Financial Officer of the company will be entitled to undermentioned perquisites:-

**i- HOUSE RENT ALLOWANCE :**

The Chief Financial Officer shall be entitled to House Rent Allowance of 30 % of the basic salary.

**ii- PROVIDENT FUND :-**

Mr. Anil Kumar Agarwal, Chief Financial Officer of the company shall be entitled for Contribution to Provident Fund, in accordance with the rules of the company.

**iii- GRATUITY :-**

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

**iv- LEAVE ENCASHMENT :-**

The Encashment of leave at the end of the tenure will be allowed in accordance with the rules of the Company.

**v- MEDICAL REIMBURSEMENT :-**

Expenses incurred for the Chief Financial Officer and his family, subject to a ceiling of half month's salary in a year in accordance with the rules of the Company.

**vi- LEAVE TRAVEL CONCESSION:-**

Mr. Anil Kumar Agarwal, Chief Financial Officer of the company shall be entitled to Leave Travel Concession in accordance with the Rules of the Company.

**vii- EX-GRATIA :-**

The Ex-gratia will be paid to the Chief Financial Officer in accordance with the rules of the Company.

**viii- CAR AND TELEPHONE :-**

The Company shall provide a car and a telephone at residence to the Chief Financial Officer of the company.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Anil Kumar Agarwal under Section 190 of the Act.

Details of Mr. Anil Kumar Agarwal are provided in the "Annexure" to the Notice pursuant to (i) Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Provisions of schedule V of the Companies Act, 2013.

Mr. Anil Kumar Agarwal is interested in the resolution set out at item no. 15 of the Notice.

The relatives of Mr. Anil Kumar Agarwal may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial

Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 15 of the Notice for approval by the members.

**ITEM NO 16**

Mr Mukhtarul Amin, Chairman and Managing Director, Mr. Zafarul Amin Jt. Managing Director and Mrs. Shahina Mukhtar, Director of the company stood as guarantors of various credit facilities sanctioned by the banks / financial institutions, in compliance with the terms and conditions of the banks / financial institutions. The Banks / Financial Institutions required personal guarantee of Mr Mukhtarul Amin, Mr. Zafarul Amin and Mrs. Shahina Mukhtar. Hence, it is proposed to pay guarantee commission to all the guarantors, including directors and their relatives, up to 0.5% per annum per guarantor of credit facilities availed by the Company from the bank(s) and financial institution(s), against the personal guarantee of the concerned Director(s)/Relative(s), given in compliance of terms and conditions of the bank(s)/financial institution(s).

Further, at the meeting of Board of Directors of the Company held on 14th February, 2019, it was decided that to pay the guarantee commission of 0.20% per annum, per guarantor, of the lower of the two i.e. aggregate of credit facilities sanctioned by Banks / Financial institutions to Company and guaranteed by said guarantors, or aggregate of balance outstanding as at the end of year to all the Guarantors with effect from 1st April, 2018.

Further it is also proposed to approve the holding of place of profit in the company, its subsidiary company or associate company by the directors and their relatives up to the amount, as may be decided by the board of directors of the company, but not exceeding Rs 100.00 lacs per annum per person.

Further, at the meeting of Board of Directors of the Company held on 14th February, 2019, the board approved to hold of place of profit in the company, its subsidiary company or associate company as under: -

**A.** To Mr. Mukhtarul Amin, Chairman and Managing Director of the Company to draw such remuneration as may be agreed between Mr. Mukhtarul Amin, Chairman and Managing Director of the Company and Briggs Industrial Footwear Limited, wholly owned subsidiary of the Company, from time to time which shall not in any case exceed Rs 2.50 lacs (Two Lacs Fifty Thousand) per month or Rs 30,00,000/- (Thirty Lacs) per annum from Briggs Industrial Footwear Limited, being office or place of profit within the meaning of Section 188 of the Companies Act, 2013. It is also proposed to ratify any previous remuneration paid by Briggs Industrial Footwear Limited, wholly owned subsidiary of the Company, in earlier years to Mr Mukhtarul Amin.

**B.** To Mr Yusuf Amin, Director of the Company to draw such remuneration as may be agreed between Mr. Yusuf Amin, Director of the Company and Superhouse Middle East FZC, wholly owned subsidiary of the Company, from time to time which shall not in any case exceed Rs 2.50 lacs (Two Lacs Fifty Thousand) per month or Rs 30,00,000/- (Thirty Lacs) per annum from Superhouse Middle East FZC, wholly owned subsidiary of the Company, being office or place of profit within the meaning of Section 188 of the Companies Act.

The above being holding of office or place of profit within the meaning of Section 188 of the Companies Act the same is being proposed to be approved and ratified.

Mr. Mukhtarul Amin and Mr Yusuf Amin are interested in the aforementioned resolution.

Mr. Zafarul Amin, Joint Managing Director, Mr. Mohammad Shadab, Deputy Managing Director and Mrs. Shahina Mukhtar, director of the company, being related to Mr. Mukhtarul Amin and Mr Yusuf Amin may be deemed to be interested in the resolution. The other relatives of Mr. Mukhtarul Amin and Mr Yusuf Amin may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

The Board commends the Special Resolution set out at Item No. 16 of the Notice for approval by the members.



ITEM NO 17

The Company is expected to render support for the business requirements of any subsidiary or associate or joint venture of the Company or any entity in which any director is deemed to be interested, from time to time. However, owing to certain restrictive provisions contained in the Sections 185 and 186 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to the said entities. In the light of amendments notified effective from May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities. The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the said entities. Hence, in order to enable the company to advance loan to Subsidiaries/ Joint Ventures /associates/ other Companies/Firms in which Directors are interested directly or indirectly under section 185 of the

Companies Act, 2013 requires approval of members by a Special Resolution. The Board of Directors Recommend the Special Resolution for approval by the members. All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

Item No 18

The board of directors of the company forfeited the 3947718 equity shares of face value of Rupees 10/ each for non-payment of Call Money. These shares have not been taken till date, hence it is proposed to cancel the shares from the Issued, Subscribed and Paid-up Capital of the Company.

Rules 36(d) of Table F of Schedule I of the Companies Act 2013, as applicable to the company, permit to cancel such shares by passing an ordinary resolution at the meeting of shareholders of the company. The cancelation of forfeited shares is in the interest of the Company and thus the Board recommends the resolution set out in Item No.18 to the accompanying Notice as an ordinary resolution.

None of the directors, key managerial persons or their relatives are interested or concerned in the resolution.

ANNEXURE TO THE NOTICE DATED 6<sup>th</sup> July, 2019

The additional information with respect to the Company and the Appointees are as under:-

1. GENERAL INFORMATION :

- (i) Nature of Industry : Leather ,Leather Goods and Textile Garments.
- (ii) Date or expected date of Commencement of Commercial Production. : The Company commenced commercial production during 1985-86.
- (iii) In case of new Companies, Expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable.
- (iv) Financial performance based on the given indicators. : The financial performance of the company for last three years are as under:-
 

<u>Year</u>	<u>Sales</u>	<u>(Rs. In lacs)</u> <u>Profit after Tax</u>
2016-17	54368.34	1300.48
2017-18	52941.02	1289.45
2018-19	56752.32	1913.84
- (v) Export performance and net foreign exchange earnings : The company has achieved export turnover of Rs. 45861.09 lacs during 2018-19 in comparison to Rs. 43908.96 lacs during 2017-18.
- (vi) Foreign investment or collaboration, if any. : The company has made foreign investment of Rs. 3561.01 lacs as at 31.03.2019 in the subsidiary companies, by way of subscription of shares.
- (vii) Reasons of loss or inadequate profits : Not Applicable
- (viii) Steps taken or proposed to be taken for improvement : The company is taking various steps through planning, budgeting, wastage control, optimizing the size of the organization and control in the purchases and expenses.
- (ix) Expected increase in productivity and profits in measurable terms : 8%



**II. INFORMATION ABOUT THE APPOINTEES/DETAILS OF DIRECTORS RETIRING BY ROTATION/SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING: -**

Name	Background Details	Past Remuneration	Recognition/ Awards/Expertisition.	Brief resume/Job profile and his suitability	Proposed Remuneration	Comparative Remuneration	Pecuniary Relationship/Relationship between directors	Other directorship in listed companies/membership/chairmanship of committees of the Board as on 31 <sup>st</sup> March, 2019
Mr. Mukhtarul Amin	Aged about 67 years, having enriched experience of 46 years in Leather Industry.	Rs.119.80 lacs (for remuneration details including perquisite value, please refer Attachment 'H' of Annexure IV to the Directors' Report).	B.Sc. Under the prudent directorship of the appointee the company is continuously winning export awards since last many decades.	He is a science graduate and joined the board of the company on 02.09.1984. He is one of the promoter directors of the company having enriched experience of 46 years in Leather Industry. He was born on 17.02.1952. He established many units specializing in manufacturing and export of Leather, Leather Products and Textile Garments. He was appointed as Managing Director of the company on 01.11.1990. Having regard to his Qualification and Experience it is proposed to re-appoint him as Chairman and Managing Director of the company.	As given in the Special Resolution at Item No.11	The remuneration committee has considered the comparative remuneration profile with respect to industry, size of the company and profile of the position and the person at the time of approving the remuneration package.	In addition to receiving remuneration, the appointee has no pecuniary relationship with the company except two flats of the appointee taken on rent of Rs. 6.60 lacs per annum by the company. He is relative of Mr. Zafarul Amin, Joint Managing Director, Mrs. Shahina Mukhtar Whole time Director, Mr. Mohd. Shadab, Dy. Managing Director and Mr. Yusuf Amin Non Independent Director of the company.	<b>A. Other Directorship:</b> He is not having directorship of any other listed company.  <b>B. Chairmanship of Committee of the Board:</b> (i) Risk Management Committee of the company. (ii) Corporate Social Responsibility Committee of the company.
Mr. Zafarul Amin	Aged about 36 years, having enriched experience of 17 years in Leather Industry.	Rs.51.48 lacs (for remuneration details including perquisite value, please refer Attachment 'H' of Annexure IV to the Directors' Report).	B.Sc. (Hon.) in Leather Technology from University College Northampton, United Kingdom. During his tenure the company is winning export awards continuously, since last many decades.	He is a Leather Technologist and joined the board of the company on 30.01.2002. He is one of the promoter directors of the company having enriched experience of 17 years in tanning, export marketing and administration. He was born on 27.01.1983. He was appointed as whole time Director on 29.07.2002. Having regard to his Qualification and Experience it is proposed to re-appoint him as Whole time Director designated as Joint Managing Director of the company.	As given in the Special Resolution at Item No.12	The remuneration committee has considered the comparative remuneration profile with respect to industry, size of the company and profile of the position and the person at the time of approving the remuneration package.	In addition to receiving remuneration the appointee has no pecuniary relationship with the company except he is relative of Mr. Mukhtarul Amin, Chairman and Managing Director, Mrs. Shahina Mukhtar Whole time Director, Mr. Mohd. Shadab, Dy. Managing Director and Mr. Yusuf Amin Non Independent Director of the company.	Nil
Mrs. Shahina Mukhtar	Aged about 63 years, having enriched experience of 39 years in Leather Industry.	Rs.43.08 lacs (for remuneration details including perquisite value, please refer Attachment 'H' of Annexure IV to the Directors' Report).	Graduate. During her tenure the company is winning export awards, continuously, since last many decades.	She is one of the promoter directors of the company having enriched experience of 39 years in Leather Industry. She was born on 05.01.1956. She was appointed as Whole time Director on 14.01.1980. She has resigned from the office of whole time Director of the company with effect from 15th June, 2019.	Sitting Fee	N.A. She has resigned from the office of the Whole time Director of the Company with effect from 15th June, 2019.	She has no pecuniary relationship with the company except one flat of the appointee taken on rent of Rs. 18.00 lacs per annum by the Company. She is relative of Mr. Mukhtarul Amin Chairman and Managing Director, Mr. Zafarul Amin, Joint Managing Director, Mr. Mohd. Shadab, Dy. Managing Director and Mr. Yusuf Amin Non Independent Director of the company.	Nil
Mr. Mohammad Shadab	Aged about 42 years, having enriched experience of 21 years in Leather Industry.	Rs. 31.15 lacs (for remuneration details including perquisite value, please refer Attachment 'H' of Annexure IV to the Directors' Report).	Graduate. During his tenure the company is winning export awards, continuously, since last many decades.	He is a footwear technologist from Leicester College, UK and joined the board of the company on 22.08.1998. He is having experience in management and export marketing. He is running fashion shoe units of the company. He was born on 16.01.1977. He was appointed as Whole time Director on 22.08.1998. Having regard to his Qualification and Experience it is proposed to re-appoint him as Whole time director designated as Deputy Managing Director of the company.	As given in the Special Resolution at Item No 13	The remuneration committee has considered the comparative remuneration profile with respect to industry, size of the company and profile of the position and the person at the time of approving the remuneration package.	In addition to receiving remuneration the appointee has no pecuniary relationship with the company except he is relative of Mr. Mukhtarul Amin, Chairman and Managing Director, Mrs. Shahina Mukhtar Whole time Director, Mr. Zafarul Amin, Jr. Managing Director and Mr. Yusuf Amin, Non Independent Director of the company.	Nil
Mr. Vinay Sanan	Aged about 62 years, having enriched experience of 41 years in Leather Industry.	Rs.31.03 lacs (for remuneration details including perquisite value, please refer Attachment 'H' of Annexure IV to the Directors' Report).	Graduate. During his tenure the company is winning export awards, continuously, since last many decades.	He is a graduate and having experience in management and export marketing and joined the board of the company on 02.01.1996. He was born on 12.10.1956. He was appointed as Whole time Director on 02.01.1996. Having regard to his Qualification and Experience it is proposed to re-appoint him Executive Director of the company.	As given in the Special Resolution at Item No.14	The remuneration committee has considered the comparative remuneration profile with respect to industry, size of the company and profile of the position and the person at the time of approving the remuneration package.	In addition to receiving remuneration the appointee has no pecuniary relationship with the company except one flat of the son of the appointee taken on rent of Rs. 1.80 lacs per annum by the company and his two sons were in the employment of the company.	Nil.
Mr. Anil Kumar Agarwal	Aged about 65 years, having enriched experience of 40 years in Accounts and Financial Activities	Rs.15.34 lacs (for remuneration details including perquisite value, please refer Attachment 'H' of Annexure IV to the Directors' Report).	Chartered Accountant	He is a Chartered Accountant and joined the board of the company on 15.10.1996. He was born on 05.12.1954. He is overall responsible for Accounts and Financial Activities of the company. He was appointed as Director Finance on 15.10.1996. Having regard to his Qualification and Experience it is proposed to re-appoint him as Whole time Director designated as Chief Financial Officer of the company.	As given in the Special Resolution at Item No 15	The remuneration committee has considered the comparative remuneration profile with respect to industry, size of the company and profile of the position and the person at the time of approving the remuneration package.	Appointee has no pecuniary relationship with the company.	<b>A. Other Directorship:</b> He is not having directorship of any other listed company.  <b>B. Membership of Committee of the Board:</b> (i). Audit Committee of the company. (ii) Stakeholder Relationship Committee of the company.  (iii). Risk Management Committee of the company.  (iv) Corporate Social Responsibility Committee of the company.
Mr. Yusuf Amin	Aged about 23 years, having enriched experience of 4 years in domestic marketing. He is having 132350 equity shares of Rs. 10/- each of the company.	Sitting fee of Rs.3000/-	Pursuing Higher Study.	He was born on 29.04.1996 and joined the board of the company on 23.09.2015 as Non-Executive Director. He is looking after domestic marketing of the company.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company except he is relative of Mr. Mukhtarul Amin, Chairman and Managing Director, Mrs. Shahina Mukhtar, Whole time Director, Mr. Zafarul Amin, Joint Managing Director and Mr. Mohd. Shadab, Deputy, Managing Director	Nil.



Name	Background Details	Past Remuneration	Recognition/ Awards/Expertisation.	Brief resume/Job profile and his suitability	Proposed Remuneration	Comparative Remuneration	Pecuniary Relationship/Relationship between directors	Other directorship in listed companies/membership/chairmanship of committees of the Board as on 31 <sup>st</sup> March, 2019
Mr. Dilip Kumar Dheer	Aged about 69 years, having enriched experience of 44years in Finance and Administration. He is not having any share of the Company.	Sitting fee of Rs.7000/-	B.Tech from IIT Kanpur.	He is B. Tech and joined the board of the company on 13.11.2010.and having enriched experience in Finance and Administration. He was born on 01.03.1950.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company.	<b>A. Other Directorship:</b> He is not having directorship of any other listed company. <b>B. Chairmanship of Committee of the Board:</b> (i) Audit Committee of the company. (ii) Stakeholder Relationship Committee of the company. (iii) Nomination and Remuneration Committee of the company. <b>C. Membership of Committee of the Board:</b> (i). Risk Management Committee of the company. (ii) Corporate Social Responsibility Committee of the company.
Mr. Syed Javed Ali Hashmi	Aged about 46 years, having enriched experience of 23years in Finance and Administration. He is not having any share of the Company.	Sitting fee of Rs.3000/-	M C F from Aligarh University	He is a graduate and joined the board of the company on 30.01.2010and having enriched experience in Finance and Administration. He was born on 29.05.1973.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company.	<b>Other Directorship:</b> He is not having directorship of any other listed company. <b>B. Membership of Committee of the Board:</b> (i). Audit Committee of the company. (ii) Stakeholder Relationship Committee of the company. (iii) Nomination and Remuneration Committee of the company. (iv). Risk Management Committee of the company. (v) Corporate Social Responsibility Committee of the company.
Mr. Nemi Chand Jain	Aged about 80 years, having enriched experience of 55years in Income Tax Department. He is not having any share of the Company.	Sitting fee of Rs.1000/-	Previous Chairman Tax Settlement Commission	He is a graduate and joined the board of the company on 05-09-2005 and having enriched experience in Income Tax Department. He was born on 16.05.1939.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company.	<b>NIL</b>
Mr. Krishan Kumar Agarwal	Aged about 67 years, having enriched experience of 42years in Medical field. He is not having any share of the Company.	Sitting fee of Rs.1000/-	He is a Doctor	He is a well-known Doctor and joined the board of the company on 06-03-2004 and having enriched experience in Medical field. He was born on 31.01.1953.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company	<b>NIL</b>
Mr. Kamal Agarwal	Aged about 66 years, having enriched experience of 41years in Management and export marketing. He is having 3961 equity shares of Rs. 10/- each of the company.	Sitting fee of Rs.1000/-	Graduate	He is a graduate and joined the board of the company on 28-01-2006 and having enriched experience in Management and export marketing. He was born on 22.12.1952.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company.	<b>Other Directorship:</b> He is not having directorship of any other listed company. <b>B. Membership of Committee of the Board:</b> (i). Audit Committee of the company. (ii) Stakeholder Relationship Committee of the company. (iii) Nomination and Remuneration Committee of the company.
Mr. Anil Soni	Aged about 67 years, having enriched experience of 42years in Auto Mobile Industry. He is having 39 equity shares of Rs. 10/- each of the company.	Sitting fee of Rs.1000/-	Graduate	He is a graduate and joined the board of the company on 06-03-2004 and having enriched experience in Auto Mobile Industry. He was born on 21.02.1952.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company.	Nil
Mr. Ajai Kumar Sengar	Aged about 66 years, having enriched experience of 41years in Insurance Sector. He is not having any share of the Company.	Sitting fee of Rs.1000/-	Graduate	He is a graduate and joined the board of the company on 23-09-2015 and having enriched experience of 41 years in Insurance Sector. He was born on 29.10.1953.	Sitting fee	N.A.	Appointee has no pecuniary relationship with the company.	Nil

**OTHER INFORMATION: -**

The company is continuously making profit as mentioned in financial performance. The Managerial team is making continuous efforts to improve the working of the company. It is expected that past period performance will be improved.

All the service contracts with the company may be terminated by either party by providing one-month notice to the other party, as per service rules of the company. No severance fee is payable.

Date : 6th July, 2019  
Place : Kanpur.

By Order of the Board  
(R. K. AGRAWAL)  
Company Secretary





## INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM)/ EGM by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).**

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM)/ EGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or <http://www.superhouse.in>.

**The e-voting period commences on September 26, 2019 (9:00 am) and ends on September, 29<sup>th</sup>, 2019 (5:00 pm).** During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date** of 23<sup>rd</sup> September, 2019. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the **cut-off date i.e. 23<sup>rd</sup> September, 2019**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [share@superhouse.in](mailto:share@superhouse.in) or [viren@skylinerta.com](mailto:viren@skylinerta.com) (company/ RTAemail id).

The facility for voting through remote e-voting / ballot paper / Poling Paper shall be made available at the AGM/EGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

### **The procedure to login to e-Voting website is given below:**

1. Open the attached PDF file “**e-Voting.pdf**” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password.

**NOTE:** Shareholders already registered with NSDL for e-voting will not receive the PDF file “e-voting.pdf”.

2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on “Shareholder - Login”.
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

**NOTE:** Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+Client ID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
7. Select “EVEN” of Superhouse Limited (**Company Name**). Members can cast their vote online from 26<sup>th</sup> September, 2019 (**9:00 am**) till 29<sup>th</sup> September, 2019 (**5:00 pm**).

**Note: e-Voting shall not be allowed beyond said time.**

8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [bantiaandcompany@yahoo.com](mailto:bantiaandcompany@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Further, NSDL has now integrated its e-Services website (<https://eservices.nsdl.com/>) with the aforesaid e-Voting system of NSDL, which enables you as a registered User of IDeAS facility to also access e-Voting system of NSDL for casting your votes by using your existing login credentials viz.; User ID and password of IDeAS facility. Thus, you would not be required to log-in to e-Voting system separately for casting votes in respect of the resolutions of companies.



**Please note the following:**

A member may participate in the Annual General Meeting (AGM) even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting (AGM).

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will 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 witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

**Other information:**

- o Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through "Forgot User Details/Password?" or "Physical User Reset Password?" option available on the site to reset the same.
- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- o Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; [www.icicidirect.com](http://www.icicidirect.com) for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website [www.icicidirect.com](http://www.icicidirect.com). Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the e-voting system of NSDL.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

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LEGACY OF EXCELLENCE



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