



SSF

SSF LIMITED

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40th ANNUAL REPORT 2007 - 2008



SSF Limited Chennai

Board of Directors

Mr. V.A. KURIEN
Chairman & Wholetime Director

Mr.V. PADMANABHAM
Managing Director

DIRECTORS

Mr.M.A.A. KHALEELI

Mr. SANJAY A. WADHWA

Mrs. MARY RODRIGUES
Vice Chairman

Mr. U. PRABHAKAR RAO

Auditors

SUDHINDRAN & CO.

Chartered Accounts

G/1, Kesari Kutteram

27, West Cott Road,

Chennai - 600 014.

Bankers

Indian Overseas Bank

Share Transfer Agent

M/s Knack Corporate Services Private Limited,

No-97,(Old.No.43) 1st Floor,

Veeraperumal Kovil Street,

Mylapore, Chennai 600 004.

Phone : 044 - 24986257, 65254632

Registered Office

'Montieth Court'

No. 64, Montieth Road,

Egmore, Chennai - 600 008.

Units

Factory - Visakhapatnam

Chinnamushidivada

Pendurthi

Visakhapatnam - 531 173.

Factory - Kakinada

Jagannaickpur

Kakinada - 533 002.

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SSF Limited Chennai**NOTICE**

Notice is hereby given that the 40th Annual General Meeting of the Company will be held on Thursday the 18th day of September 2008 at, Green Meadows-Conference Hall, No. 4 / 364 A, Anna Salai, Palavakkam, Chennai 600 041 at 10.00.A.M to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance sheet as at 31st March 2008 and Profit and Loss Account for the year ended 31st March 2008 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of, Mr.M.A.A. Khaleeli, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company who shall hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Sudhindran & Co., Chartered Accountants, Chennai, being the retiring auditors are eligible for re-appointment.

for and on behalf of the board

Place : Chennai
Date : 30.07.2008

V.A.Kurien
Chairman

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy or proxies so appointed need not be a member or members as the case may be of the Company. The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company not later than 48 hours before the time fixed for holding the meeting.
2. The Register of members and the share transfer books of the company will remain closed from 17th September 2008 to 18th September 2008 both days inclusive.
3. Members are requested to notify immediately any change in their address to the company.
4. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
5. Members are requested to affix their signature at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
6. No gifts/refreshments will be provided at the venue of the meeting.
7. Re-Appointment of Director – At the ensuing Annual general meeting, Mr.M.A.A. Khaleeli retire by rotation and being eligible offers himself for re-appointment.

The details pertaining to the director Mr. M.A.A. Khaleeli required to be provided pursuant to clause 49 of the listing agreement are furnished in the statement on corporate governance published elsewhere in this report.

for and on behalf of the board

Place : Chennai
Date : 30.07.2008

V.A.Kurien
Chairman



SSF Limited Chennai

DIRECTORS REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

The Directors are pleased to present the 40th Annual Report and the Audited Accounts for the year ended 31.03.2008.

FINANCIAL HIGHLIGHTS/PERFORMANCE

The highlights of the financial performance of the Company are as follows:

Particulars	Year Ended 31.03.2008 (Rs. in Lakhs)	Year Ended 31.3.2007 (Rs. in Lakhs)
Total Income	1512.17	1289.41
Increase/(Decrease)in Stock	38.99	26.89
Total Expenditure	1462.31	1235.07
Operating Profit before interest, Depreciation & Tax	88.85	81.23
Interest	39.05	21.79
Cash Profit	49.80	59.44
Depreciation	9.29	11.49
Profit before Tax	40.51	47.95
Provision For Deferred & F.B tax	1.88	1.09
Profit after Tax	38.63	46.86

DIVIDEND

Your Directors have not recommended any dividend for the year 2007 - 2008 due to insufficient profits.

OPERATIONS

During the year, inspite of the fact we had only one processing plant operating, we have been able to achieve a larger turnover of Rs.15.11 crores compared to Rs. 11.91 crores in the previous year. The profit before depreciation was Rs.49.80 lakhs with the other income of Rs1.00 lakh only, compared to Rs.98.01 Lakhs in the previous year. The measures started to take last year has shown it's impact during the year whereby we have been able to achieve better profitability and also diversifying our market. All these years our concentration had been export of frozen shrimps but this year we made a beginning in exporting frozen Tuna Fish which would give us a sizable turnover in the coming year. The modernization of the Vizag plant has been completed and the existing Kakinada plant has also been renovated altogether at a cost of Rs 258.88 lakhs. The management along with the co-operation of the entire staff and workers have contributed for much larger profit in the coming year.

DIRECTORS

Mr.M.A.A.Khaleeli, Director liable to retire by rotation being eligible offers himself for reappointment.

AUDITORS

The Auditors of the Company M/s. Sudhindran & Co, retire at the conclusion of this meeting and being eligible offer themselves for re-appointment to hold office till the conclusion of the next Annual General Meeting.

AUDIT COMMITTEE

The Company has constituted an Audit committee comprising of Mr. V.A.Kurien, Mr.Sanjay Arjundas Wadhwa, Mr.U.Prabhakar Rao & Mr. Azeez Khaleeli as its members. The role, terms of reference,



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authority and powers of Audit Committee are in conformity with the provisions of the Companies Act, 1956 inserted by Companies Amendment Act, 2000. The Audit committee has had their meetings as per statutory requirements and has made no adverse comments.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Industry is going through lots of Changes due to condition laid down by the Government in the importing countries. The Industry has started seeing things in its reality, which is of good sign.

OPPORTUNITIES AND THREATS

New rules and new regulations from various countries might bring about far reaching changes in the pricing structure. The Company has very sound control systems with each and every kilogram being accounted from the time of purchase to the time of export.

OUT LOOK

As the Company is mainly engaged in the business of processing, sale and exports of marine products to various parts of the world, the Company's has been cautious in complying with exports norms and considering the regulations of the country to which it supplies its products and the Company's approach during this year has helped to consolidate the working results and if this trend continues the Company should have better years to come.

INTERNAL CONTROL SYSTEMS & ADEQUACY

Suitable control measure has been put in place and periodic checks are done to ensure norms are followed. The Company has adequate internal control procedures commensurate with the size of the company and the nature of its business.

HUMAN RESOURCES

Much emphasis has been given to the quality of work and keeping this in view staff are systematically trained to do all round jobs. The Company has maintained cordial relationship with its employees throughout the year.

PARTICULARS OF EMPLOYEES AS PER SECTION 217(2A) & INFORMATION PURSUANT TO SECTION-217 (2AA) OF THE COMPANIES ACT, 1956

There are no employees drawing remuneration in excess of the limits specified under Section-217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

None of the Directors of the company are disqualified from being appointed as a Director under Section-274(1) (g) of the Companies Act, 1956

DIRECTORS RESPONSIBILITY STATEMENT U/S.217 (2AA) OF THE (COMPANIES AMENDMENT) ACT, 2000, INDICATING THEREIN;

- i) That in the preparation of the Annual Accounts for the financial year ended 31.03.2008, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) That the directors had selected such accounting policies and applied them consistently and made judgements 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 on 31.3.2008 and of the profit of the company for the financial year ended 31.3.2008.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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- iv) That the directors had prepared the annual accounts for the financial year ended 31.03.2008 on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 217(1)(e) of The Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the report of the Board of Directors) Rule 1988, the particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are furnished below:

Conservation of Energy

The Company has been emphasising on the conservation of energy and has taken several steps including regular monitoring and reduction of consumption, transmission losses and has improved regular maintenance of the existing systems.

Power and Fuel consumption for the factory

	Year ended 31/03/2008	Year ended 31/03/2007
Electricity Consumed		
No of Units(Kwh)	994,234	691,667
Total Amount(Rs.)	4,324,019	3,549,164
Average Cost per unit(Rs)	4.35	5.13
Own Generation (thro' Diesel Generator)		
No of Units (Kwh)	12,548	12,730
Average Unit/litre of Diesel Oil(Kwh)	3.08	3.08
Total Fuel Cost of Generation(Rs.)	134,537	147,786
Average Cost/unit(Rs.)	10.72	11.61

B. Foreign Exchange Earnings and Outgo

The Company has made Exports and earned valuable Foreign Exchange for the country. The Foreign Exchange earned in Indian Currency equivalent by way of F.O.B. value of Exports is Rs.129,774,198/- The Company has spent Foreign Exchange on Import of Capital goods valuing Rs 336,736/- and not spent on Foreign Travel.

SSF Limited Chennai**CORPORATE GOVERNANCE**

The Corporate Governance report as set out in Annexure hereto form an integral part of this report. A Certificate from the auditors of the company certifying compliance of the conditions of corporate governance as stipulated in Clause 49 of the listing agreement with stock exchanges is also annexed to the report on Corporate Governance.

PUBLIC DEPOSITS

The Company has not accepted any Public Deposits during the year.

DEPOSITORY SYSTEM

Pursuant to the Directions of the Securities and Exchange Board of India, the company's Securities has been dematerialised and also admitted into National Securities Depository Limited and has been allotted with ISIN – INE418F01015.

STATEMENT PURSUANT TO LISTING AGREEMENT

The Company's Shares is listed with Madras Stock Exchange Limited. Your company has paid the Annual listing Fees up-to-date and there are no arrears.

ACKNOWLEDGEMENT

Your Directors place on record the valuable services rendered by the Company's shareholders, employees, bankers and other agencies associated with the company. The Board looks forward to their continued support in the future endeavours.

By Order of the Board
V.A.KURIEN
Chairman

Place : Chennai
Date : 30.07.2008

CAUTION

This Report is based on the current situation, past experience and information available to the Company about its various businesses and assumptions regarding economic and industrial scenario, Governmental and other regulatory policies. The Performance of the Company is, to a great extent, dependent on these factors. The future performance may be materially influenced by the changes in any of these factors, which are beyond the control of the Company and may affect the views expressed in or perceived from this Report. Therefore the investors are requested to make their own independent judgments by taking into account all relevant factors before any investment decision.

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ANNEXURE TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.

The main aim of the concept of Corporate Governance is to create a balance which would result in long term value additions to the Investments of Shareholders while catering to the interests of employees, customers, suppliers, Government and public at large, which covers in its ambit the concept of Social responsibility of Corporates also.

The Company's philosophy/objective on corporate governance is to comply with the laws of the land, enhance the earnings per share and ensure discipline, transparency and accountability. The Management of the company believes that the corporate performance in the long run is co-related to Corporate Governance and that well governed companies mitigate 'Non - business risks' better. The company endeavours to adopt the best practices in Corporate Governance and thereby aims to increase the value for all its stakeholders.

2. BOARD OF DIRECTORS:

A. Composition of Board

The Present strength of the Board is 6. The Board comprises of Non Executive Directors and a Managing Director. The Board of Directors of the Company is as follows:

V.A.Kurien	-	Chairman & Executive Director
Sanjay Arjundas Wadhwa	-	Non Executive Director
M.A.A.Khaleeli	-	Non Executive Director
V.Padmanabham	-	Managing Director & Executive Director
Mary Rodrigues	-	Non Executive Director
U Prabhakar Rao	-	Non Executive Director

The attendance particulars at the Board meetings and Annual General Meeting are as follows:

Name	Category	No of BM (A)	AGM (A)	No of Directorships & Committee member in other Public Companies	
				Directorships	Committee member
V.A.Kurien	P ENI	5	Y	2	2
Sanjay Arjundas Wadhwa	INE	4	Y	1	2
M.A.A.Khaleeli	INE	5	Y	—	—
V.Padmanabham	E I	4	Y	—	—
Mary Rodrigues	NI NE	4	Y	1	1
U Prabhakar Rao	NE I	4	—	-	-

BM (A) - Board Meeting Attendance during the 2007 - 2008, Y-Yes, N-No, AGM (A) - Whether Attended Annual general meeting held on 28.09.2007, C - Chairman, E- Executive, NE- Non executive, I- Independent, NI- Non Independent.



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Five Board Meetings were held during the year 2007 - 2008 and the dates on which the Board meetings were held were as follows: 27/4/2007, 25/07/2007, 30/08/2007, 31/10/2007 and 31/01/2008

The information as required under Annexure I to Clause 49 is being made available to the Board. None of the Non-executive Directors of the Company has any pecuniary relationship or transaction with the Company.

B. BOARD PROCEDURE

The Company has convened Five Board Meetings during the Financial Year 2007-08. The Notices of the Board meeting were sent a week in advance to all the Directors to enable them to make themselves convenient to attend the Meeting. The detailed Agenda for the meeting along with notes if any, were sent to the Directors about one week to ten days before the Meeting. The Managing Director would give a overview of the performance of the Industry, in general and the Company, in particular. The Board of Directors generally reviewed the following:

- Annual operating plans
- Compliance with statutory and legal requirements.
- Adoption of quarterly un-audited financial results.
- Funding requirements and patterns of the Company.
- Transaction of Capital nature.
- Proceedings of the Committee Meetings.

C. Bio – Data of Directors proposed to be re-appointed:

Name of the Director	Mr.M.A.A.Khaleeli
Date of Birth	26/03/1947
Qualification	B.A.,
Nature of Expertise	Wide Business Experience
Date of First Appointment	30.09.1999
Name of the other Companies in which he holds Directorship	NIL

3. REMUNERATION COMMITTEE

Remuneration committee as contemplated under the listing agreement is presently non-mandatory however the same has been constituted in accordance with the provisions of Companies Act, 1956 and listing agreement requirements in order to recommend the remuneration payable to Managing/ Whole time Director.

4. REMUNERATION TO DIRECTORS

The Company pays sitting fees of Rs. 1000/- per meeting for each meeting attended by the members of the Board plus reimbursement of actual expenses and out of pocket expenses incurred by them for official purposes.

Mr V.A.Kurien , Chairman & Whole Time Director, is being paid remuneration of Rs.3,60,000/- per annum plus reimbursement of actual expenses and out of pocket expenses incurred by him for official purposes. Mr. V.Padmanabham, Managing Director is being paid remuneration of Rs.4,72,000/- per annum, plus reimbursement of actual expenses and out of pocket expenses incurred by him for official purposes which was duly approved by the share holders at the Annual General Meeting.



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5. AUDIT COMMITTEE

The Company had constituted an Audit Committee to confirm to the requirements of Companies Act, 1956 and Clause 49 of the Listing Agreement. The Committee had held three Meetings during the financial year 2007-08 and the details of Compositions of the Audit Committee and the meetings attended by the Directors are given below:

Name of Members	No of Meetings attended during the year 2007 - 2008
Mr.M.A.A.Khaleeli	3
Mr.V.A.Kurien	3
Mr.Sanjay Arjundas Wadhwa	3
Mr.U.Prabhakar Rao	3

The necessary quorum was present at the meeting. Mr.Sanjay Arjundas Wadhwa is Chairman of Audit Committee. The Audit Committee acts in accordance with the terms of reference specified by the Board. The representatives of the Statutory Auditors attended the audit committee meetings. The Terms of reference of the Audit committee broadly are as under:

- To review the quarterly, half yearly and Annual financial results of the company before submission to the Board.
- To make recommendations to the Board on any matter relating to the financial management of the company including the Audit Report.
- To review the accounting and financial policies and practices.
- To review the internal control mechanism and monitor risk management policies adopted by the company and ensure compliance with regulatory guidelines.
- To review reports furnished by the Internal and Statutory Auditors and ensure that suitable follow – up action is taken.
- To examine the accountancy, taxation and disclosure aspects of all the significant transactions.

6. SHAREHOLDERS COMMITTEE.

The Company is already having a Share Transfer Committee consisting of three Directors Viz., Sri V.A.Kurien, Sri M.A.A.Khaleeli, and Sri Sanjay Arjundas Wadhwa, as its members. Sri M.A.A.Khaleeli, Director is the Chairman of the Committee.

This Committee is also performing the functions of catering to the Shareholder grievances. The Company had received One Complaint during the financial year 2007-08 and the above said Committee had sorted out all the grievances to the satisfaction of the Shareholders. There were no Share Transfers pending as on 31/03/2008. In accordance with the Notification issued by SEBI, the administration of transactions relating to Shares in Physical form have been handed over to the Registrars/Share Transfer Agents M/s Knack Corporate Services Private Limited, No - 97,(Old No 43) 1st Floor, Veeraperumal Kovil Street, Mylapore, Chennai 600 004.

Name, Designation and Address of Compliance Officer:

Mr.V.A.Kurien, Chairman

No - 64, Montieth Road, Egmore, Chennai - 600 008

No of Complaints received from Shareholders from 01.04.2007 - 31.03.2008 - 1

No. Not solved to the satisfaction of shareholders as on 31.03.2008 - NIL

No. of Pending Share Transfers as on 31.03.2008 - NIL