



SSF

SSF LIMITED

42nd
ANNUAL REPORT
2009 - 2010

Board of Directors**Mr. V.A. KURIEN**

Chairman & Wholtime 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-17/9, Thiruvengadam Street,

Mandaveli, Chennai - 600 028.

Phone : 044 - 42303383

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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NOTICE

Notice is hereby given that the 42nd Annual General Meeting of the Company will be held on Monday the 6th day of September 2010 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 2010 and Profit and Loss Account for the year ended 31st March 2010 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of, Mr. Sanjay. A.Wadhwa, 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.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolution as special resolution:

"RESOLVED THAT pursuant to provisions of Section 293(1)(a) of the Companies Act, 1956, consent be and is hereby accorded to the Board of Directors of the Company for disposing of the land owned by the Company at Thevara, Cochin for such consideration and on such terms as the Directors in their discretion consider beneficial to the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds or things which are required to give effect to this resolution."

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 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 3rd September 2010 to 6th September 2010 (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.

for and on behalf of the board

Sd/-

V.A.Kurien

Chairman & Whole-time Director

Place : Chennai

Date : 30.07.2010

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No.1

Your Company entered into a joint venture agreement with SI Capital and Financial Services Limited. and invested 50% in a land in Thevera, Cochin in the year 1996-97. The Company made all efforts to develop the property but could not take up the project due to various operational issues. It is therefore proposed to dispose off the non-productive immovable property of the Company at Thevera, Cochin to, M/s. Southern Warehousing Company Private Limited to have more liquidity.

The Directors accordingly commend the resolution to be passed by the members. Two of the Directors are interested or concerned in this resolution.

for and on behalf of the board

Sd/-

V.A.Kurien

Chairman & Whole-time Director

Place : Chennai

Date : 30.07.2010

DIRECTORS REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

The Directors are pleased to present the 42nd Annual Report and the Audited Accounts for the year ended 31.03.2010.

FINANCIAL HIGHLIGHTS/PERFORMANCE

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

Particulars	Year Ended 31.03.2010 (Rs. in Lakhs)	Year Ended 31.3.2009 (Rs. in Lakhs)
Total Income	2157.73	1819.31
Increase/(Decrease)in Stock	(63.30)	38.15
Total Expenditure	1918.74	1678.78
Operating Profit before interest, Depreciation & Tax	175.69	178.68
Interest	72.24	72.49
Cash Profit	103.45	106.19
Depreciation	36.37	35.06
Profit before Tax	67.08	71.13
Provision For Deferred Tax	0.66	2.72
Profit after Tax	67.74	68.41

DIVIDEND

Your Directors have not recommended any dividend for the year 2009 - 2010 due to insufficient profits.

OPERATIONS

During the year, the Export Income has increased from Rs.18.16 crores to Rs.21.44 crores. Though the Turnover has gone up, the expenses have increased, due to minimum wages to be paid in Andhra Pradesh. The Carry Forward Loss has come down from Rs. 3.17 crores to 2.50 crores. We hope that within the next 3 years, we should be able to wipe up the Carry Forward Loss, to enable us to pay Dividend to the Shareholders.

DIRECTORS

Mr. Sanjay A. Wadhwa, 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.V.Padmanabham, Mr. M.A.A.Khaleeli and Mr. U.Prabhakar Rao as its members. The role, terms of reference, 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 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.

At present, we have only equipments for semi processed exports. We are planning to acquire an IQF Machine, to increase the added value for our products.

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 31.03.2010, 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 31.3.2010 and of the profit of the company for the financial year ended 31.3.2010.
- 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;
- iv) That the directors had prepared the annual accounts for the financial year ended 31.03.2010 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 31/03/2010	Year ended 31/03/2009
Electricity Consumed		
No of Units(Kwh)	1,403,390	1,186,861
Total Amount(Rs.)	5,446,185	4,857,442
Average Cost per unit(Rs)	3.88	4.09
Own Generation (thro' Diesel Generator)		
No of Units (Kwh)	37,074	23,694
Average Unit/litre of Diesel Oil(Kwh)	3.08	3.08
Total Fuel Cost of Generation(Rs.)	430,169	274,658
Average Cost/unit(Rs.)	11.60	11.59

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 Rs173,934,689/- The Company has spent foreign exchange on foreign travel Rs.61,375/-.

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.

for and on behalf of the board

sd/-

Place : Chennai
Date : 30.07.2010

V.A.Kurien
Chairman & Whole-time Director

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.

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 & Whole Time 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	4	Y	2	2
Sanjay Arjundas Wadhwa	I NE	3	Y	1	2
M.A.A.Khaleeli	I NE	2	Y	—	—
V.Padmanabham	E I	4	Y	—	—
Mary Rodrigues	NI NE	3	Y	1	1
U Prabhakar Rao	NE I	4	Y	1	—

BM (A) - Board Meeting Attendance during the 2009 - 2010, Y-Yes, N-No, AGM (A) - Whether Attended
Annual general meeting held on 14.09.2009, C - Chairman, E- Executive, NE- Non executive, I-
Independent, NI- Non Independent.

Four Board Meetings were held during the year 2009 – 2010 and the dates on which the Board meetings were held were as follows: 27.04.2009, 28.07.2009, 30.10.2009 and 29.01.2010.

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 four Board Meetings during the Financial Year 2009-10. 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	Sanjay.A. Wadhwa
Date of Birth	41 years
Qualification	B.com. MBA
Nature of Expertise	Wide business experience
Date of First Appointment	23.03.2001
Name of the other Companies in which he holds Directorship	SI Capital And Financial Services Ltd

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/ Wholtime 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.1200,000/- 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.1200,000/- 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.