

MD			BKC	✓
CS	✓		DPY	✓
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

SUPER SALES  
AGENCIES LIMITED  
COIMBATORE

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16th Annual Report - 1997 - 98



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# **SUPER SALES AGENCIES LIMITED**

## **Registered Office :**

695, Avanashi Road, Coimbatore - 641 037

## **Administrative Office :**

U.R. House, First Floor, 1056-C, Avanashi Road, Coimbatore - 641 018.

## **BOARD OF DIRECTORS :**

Sri R. Venkatrangappan (Chairman)  
Sri Ramesh Rudrappan  
Sri C.B. Kariappa  
Sri Ravi Sam  
Sri Sanjay Jayavarthanavelu

## **PRESIDENT :**

Sri M.A. Chandrasekara Rajha

## **COMPANY SECRETARY :**

Sri A. Prabhakar

## **AUDITORS :**

M/S. S. KRISHNANMOORTHY & CO.,  
Chartered Accountants

## **BANKERS :**

INDIAN OVERSEAS BANK  
CANARA BANK  
STATE BANK OF INDIA

## **REGISTRARS AND SHARE TRANSFER AGENTS :**

S.K.D.C Consultants Ltd.  
11, Street No. 1  
S.N. Lay out  
Coimbatore - 641 012

**SUPER SALES AGENCIES LIMITED**

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**CONTENTS**

Notice	...	3
Directors' Report	...	4
Auditors' Report	...	7
Balance Sheet	...	10
Profit and Loss Account	...	12
Schedules to Balance Sheet	...	14
Schedules to Profit and Loss Account	...	20
Notes on Accounts	...	21

## NOTICE TO SHARE HOLDERS

NOTICE is hereby given that the 16th Annual General Meeting of the shareholders of the Company will be held at 11.00 A.M. on Thursday the 10th September, 1998 at "Nani Kalai Arangam", Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore 641 037 to transact the following business :

### Ordinary Business :

1. To receive, consider, approve and adopt the Reports of the Auditors' and of the Directors' and the Profit & Loss Account for the year ended March 31, 1998 and the Balance Sheet on that date.
2. To declare a dividend.
3. To appoint a Director in the place of Sri C.B. Kariappa, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Sri Ravi Sam, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

Coimbatore  
25th June, 1998



By Order of the Board  
**A. PRABHAKAR**  
Company Secretary

### Notes :

1. A member who is entitled to attend and vote at the above meeting is entitled to appoint a proxy and vote instead of himself and such proxy need not be a member of the Company.
2. The instruments appointing the proxy should be lodged with the Company not less than fortyeight hours before the scheduled commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 1st September, 1998 to 10th September, 1998 (both days inclusive)
4. Members are requested to communicate their change of address, if any, quoting their folio numbers to our Registrars and Share Transfer Agents, S.K.D.C. Consultants Ltd., No. 11, Street No. 1, S.N. Layout, Tatabad, Coimbatore - 641 012.
5. Pursuant to section 205 A of the Companies Act, 1956, all unclaimed dividends upto the Company's financial year ended 31st March, 1994 (paid in 1994) have been transferred to the "General Revenue Account" of the Central Government.

**SUPER SALES AGENCIES LIMITED****DIRECTORS' REPORT**

Your Directors have pleasure in presenting the annual report together with the audited accounts for the year ended March 31, 1998.

**PROFITS & DIVIDEND**

	Rs.
Net Profit for the year	21,776,368
Add : Surplus profit brought forward	2,338,211
Excess provision for Income-tax in earlier years reversed	409,812
Total	<u>24,524,391</u>

which is appropriated as follows :

Provision for extraordinary items	5,479,000
Provision for prior year taxes	26,927
Corporate Dividend tax 1996 - 97	614,300
Provision for Corporate Dividend tax 1997-98	614,300
Provision for taxes of current year 1997-98	4,200,000
Proposed addition to General Reserve	4,500,000
Proposed dividend on Equity Shares @ Rs. 2/- per share	6,143,000
Surplus carried over	2,946,864
Total	<u>24,524,391</u>

**DIVIDEND :**

Your Directors recommend payment of dividend at 20%. The dividend if approved, will be paid to those members or their mandatees whose names appear on the Register of members on 10th September, 1998.

**WORKING OF THE COMPANY :****TEXTILE DIVISION :**

The spinning industry is plagued by recession, excess production and high cost of production. The industry has been hit hard by continued absence of demand and consequent decline in the prices of yarn. The offtake of yarn continues to be subdued notwithstanding lower prices. Added to this, the cotton prices have increased due to crop destruction by unseasonal rains & pests this season.

At the unit at Othakkaimandapam, viz., G.K.D. Textiles, the turnover has registered a growth of 8% when compared to the previous year. This has been achieved due to higher production and better productivity. However, this was off-set by increase in power and labour costs.

At the unit at Pollachi, viz., Jay Textiles the turnover has registered a growth of 42% when compared to previous year. This has been achieved in spite of recession in the textile industry. The installation of auto coners resulted in production of high quality yarn which fetched higher prices.

#### AGENCY DIVISION :

The recession in the industry had its impact on the performance of Agency Division. The sales in textile machinery was at the same level when compared to previous year. Sales in Machine Tool Division was severely affected due to availability of cheaper imported machines in the market.

#### INDUSTRIAL RELATIONS :

The relationship with the employees continues to be cordial. A Voluntary Retirement Scheme (VRS) was introduced during the year and 73 employees opted for it. The total outgo on this account was Rs. 54.79 lakhs.

#### DEPOSITS :

The Fixed Deposits accepted / renewed by the Company have all been either renewed or repaid on the due dates. Neither on the date of the Balance Sheet nor on the date of this report are there any deposits which have fallen due and remain unpaid.

#### DIRECTORS :

The following Directors retire by rotation at the ensuing Annual General Meeting, who being eligible, offer themselves for re-appointment :

1. Sri C.B. Karippa
2. Sri Ravi Sam

Your Directors regret to inform the untimely death of Directors Sri K. Nagabhushan Rao on 17.10.1997 and Sri P. Srinivasan on 11.12.1997. During their tenure as Director on the Board of the Company, Sri K. Nagabhushan Rao and Sri P. Srinivasan were active participants in the proceedings and the Company benefited to a large extent by their valuable advice and guidance. Your Directors wish to place on record their appreciation of the yeoman services rendered by them.

#### AUDITORS :

M/s. S. Krishnamoorthy & Co., Chartered Accountants, the retiring Auditors, have given the certificate pursuant to Sec. 224 (1-B) of the Companies Act, 1956 and are eligible to be re-appointed.

#### STATEMENT UNDER SEC. 217 (2A) :

The particulars are enclosed.

#### CONSERVATION OF ENERGY :

Various electrical equipments are being constantly monitored and overhauled in order to ensure that the consumption of energy is always at peak efficiency levels. The Generators are being overhauled periodically and maintained in good order to ensure optimum output. Energy consumption particulars as required by Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are attached.

#### GENERAL :

The Directors acknowledge the support given by the Principals, M/s Lakshmi Machine Works Ltd as also the assistance given by the bankers of the Company. Directors also wish to place on record, the co-operation extended by the employees at various levels.

Coimbatore  
25th June, 1998

By order of the Board  
**R. Venkatragappan**  
Chairman

## SUPER SALES AGENCIES LIMITED

STATEMENT APPENDED TO THE DIRECTORS' REPORT PURSUANT TO RULE 2(A) (d) OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 1998.

	31.3.1998	31.3.1997
<b>A. POWER AND FUEL CONSUMPTION</b>		
1. Electricity		
a. Purchased :		
Units	10,571,960	14,414,023
Total Amount	Rs. 36,978,022	Rs. 40,351,196
Rate / Unit	Rs. 3.50	Rs. 2.80
b. Own Generation :		
i) Through diesel generator	8,856,522	2,046,510
Units per ltr. of diesel oil	2.96	2.89
Cost / Unit	Rs. 3.40	Rs. 2.72
ii) Through steam turbine / generator	Nil	Nil
2. Coal (Specify quality and where used)	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Other / Internal generation (Please give details)	Nil	Nil
<b>B CONSUMPTION PER UNIT OF PRODUCTION</b>		

Product name	Yarn	Yarn.
Yarn - Produced	2,908.15 M.T.	2,580.30 M.T.
Yarn per tonne		
Electricity	Rs. 23,069.71	Rs. 17,792.67
Furnace Oil	Nil	Nil
Coal	Nil	Nil
Others (specify)	Nil	Nil

STATEMENT APPENDED TO THE DIRECTORS' REPORT PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 1998.

Sl. No.	Name	Age Years	Designation / Nature of Duties	Remuneration Rs.	Qualification	Experience Years	Date of Commence - ment of employment	Last employment before joining the Company
1.	Sri M.A. Chandrasekara Rajha	48	President	637,358	M.A.	19	1.3.1996	Jay and Jay Enterprises Ltd.

1. Gross remuneration includes Company's contribution to Provident Fund, reimbursement of medical expenses and other perquisites.



**AUDITORS' REPORT**

To

The Members of Super Sales Agencies Limited

We have audited the attached Balance Sheet of SUPER SALES AGENCIES LIMITED as at 31st March, 1998 and the Profit and Loss Account annexed thereto for the year ended on that date and report that :

1. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 we enclose in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
  - d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
    - (i) In the case of Balance Sheet, of the state of Company's affairs as on 31st March, 1998.
    - and
    - (ii) In the case of profit and Loss Account, of the profit for the year ended on that date.

Colombatore  
25th June, 1998

For S. KRISHNAMOORTHY & CO.,  
Chartered Accountants  
**K.N. SREEDHARAN**  
Partner  
Auditors