



SUPER SALES INDIA LIMITED

COIMBATORE

31ST ANNUAL REPORT 2012-13

SUPER SALES INDIA LIMITED

Registered Office :
34-A, Kamaraj Road, Coimbatore - 641 018.

BOARD OF DIRECTORS

Sri. Sanjay Jayavarthanavelu (Chairman)
Sri. Ravi Sam
Sri. R. Satagopan
Sri. J. Raghupathy
Sri. N.R. Selvaraj
Sri. S. Venkataraman

AUDITORS

M/s. S. Krishnamoorthy & Co.,
Chartered Accountants

BANKERS

Indian Overseas Bank
Indian Bank
IDBI Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS

S.K.D.C Consultants Limited,
"Kanapathy Towers", 3rd Floor,
1391/A-1, Sathy Road,
Ganapathy,
Coimbatore- 641 006.

COMPANY SECRETARY

Sri. S.K. Radhakrishnan

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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 31st Annual General Meeting of the shareholders of Super Sales India Limited, Coimbatore - 641 018 will be held at 3.15 P.M on Thursday, the 8th August, 2013 at 'Nani Kalai Arangam', Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore - 641 037 to transact the following business:

ORDINARY BUSINESS

1. To consider the statement of Profit and Loss for the financial year ended 31st March, 2013, the Balance Sheet as at that date, the Report of the Board of Directors and the Report of the Auditors.
2. To appoint a Director in the place of Sri. J Raghupathy, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Sri. R Satagopan, who retires by rotation does not opt for re-appointment.
4. To appoint Auditors to hold office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following Resolution with or without modification as an Ordinary Resolution:

RESOLVED that Sri N R Selvaraj be and is hereby appointed as Director of the Company, he is liable to retire by rotation.

6. To consider and if thought fit, to pass the following Resolution with or without modification as an Ordinary Resolution:

RESOLVED that Sri S Venkataraman be and is hereby appointed as Director of the Company, he is liable to retire by rotation.

By Order of the Board

Coimbatore
22nd May, 2013

S. K. Radhakrishnan
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. PROXY CAN VOTE IN FAVOUR OR AGAINST THE RESOLUTION AT POLL.**
2. **THE INSTRUMENT APPOINTING THE PROXY SHOULD BE LODGED WITH THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED COMMENCEMENT OF THE MEETING.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 1st August, 2013 to Thursday, the 8th August, 2013 (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, M/s. SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore- 641 006. Similarly members holding shares in Demat form, shall intimate the change of address, if any, to their respective Depository Participants.

SUPER SALES INDIA LIMITED

5. Pursuant to Section 205C of the Companies Act, 1956, all unclaimed dividends shall be transferred to the "Investor Education and Protection Fund" of the Central Government after a period of 7 years from the date of declaration. Shareholders, who have not encashed their dividend warrants for the years 2005-06, 2006-07, 2007-08, 2008-09, 2009 - 10 and 2010 -11 are requested to write to our Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore- 641 006 for claiming the dividend. Once the unclaimed dividend is transferred to the Investor Education and Protection fund, no claim can be made to the Company by the Shareholders thereafter.
6. Shareholders holding shares in the physical form and wish to avail Electronic Clearing Services (ECS) facility (subject to availability of the facility) may authorize the Company with ECS mandate in the prescribed form (enclosed) and the same should be lodged with the Registrars and Share Transfer Agents M/s. SKDC Consultants Limited for payment of dividend in future through ECS, if eligible.
7. Members who require any clarifications on accounts or operations of the Company are requested to write their queries to the Company Secretary so as to reach him at least one week before the meeting. The queries will be answered accordingly.
8. The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by serving the documents viz. Notices for general meetings, Financial Statements, Annual Reports etc. through electronic mode, for which the Company has to obtain email addresses of its members. To take part in the above Green Initiative, we propose to send the above documents in electronic form to the email addresses of the members.

In order to serve the documents in electronic mode, Members holding shares in physical mode are requested to communicate their e-mail address quoting their folio numbers to our Registrars and Share Transfer Agents. Similarly members holding shares in Demat form shall intimate their e-mail address to their respective Depository Participants at the earliest.

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956.

Item No. 5 & 6

The Board of Directors at the meeting held on 29th October, 2012 appointed Sri. N.R. Selvaraj and Sri. S. Venkataraman as Additional Directors with effect from 29th October, 2012. They will hold office up to the ensuing Annual General Meeting. The Company has received notices in writing from Shareholders proposing their candidature to the office of the director in terms of Section 257 of the said Act together with the required deposit.

They are liable to retire by rotation.

Sri. N.R. Selvaraj a chartered accountant has wide experience in finance, accounts, auditing and Administration.

Sri. S. Venkataraman a B.Tech., graduate and a post graduate in Industrial Engineering has wide experience in the field of marketing of textile machineries and engineering products.

It is desirable that the Company avail of their service as Members of the Board.

Sri. N.R. Selvaraj is holding 100 equity shares in our Company and Sri. S. Venkataraman does not hold any shares.

Except Sri. N. R. Selvaraj and Sri. S. Venkataraman, none of the other Directors is concerned or interested in the resolutions.

Disclosures:

Brief resume and the details of shareholding as required to be given under clause 49 of the Listing Agreement in connection with the appointment, retirement and re-appointment of Non-Executive Directors and Directors inter-se relationships are provided under Report on Corporate Governance.

By Order of the Board

Coimbatore
22nd May, 2013

S. K. Radhakrishnan
Company Secretary

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 31st Annual Report of the Company together with audited accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

Financial results for the year under review are summarized below:

Particulars	2012-13 (Rs. in Lakhs)	2011-12 (Rs. in Lakhs)
Income from operations	18684.04	14469.19
Other Income	373.90	317.79
Profit before Interest and Depreciation	4987.92	917.93
Less: Interest	1206.97	1243.04
Profit/(Loss) before Depreciation	3780.95	(325.11)
Less: Depreciation	1942.61	1783.46
Profit/(Loss) before Tax	1838.34	(2108.57)
Add/(Less): Provision for Taxes	785.49	(692.90)
Profit/(Loss) after Tax	1052.85	(1415.32)
Add: Balance in Profit & Loss Account	1386.67	2801.99
Balance Available for Appropriation	2439.52	1386.67
Appropriation:		
Proposed Dividend	76.79	Nil
Tax on Dividend	13.05	Nil
Transferred to General Reserve	500.00	Nil
Surplus in Profit & Loss Account Carried over to Balance Sheet	1849.68	1386.67

DIVIDEND

Your Directors recommend, payment of dividend of Rs. 2.50 per equity share of Rs.10/- each for the financial year ended 31st March, 2013, which if approved at the forthcoming Annual General Meeting, will be paid to those equity shareholders whose names appear in the Register of Members as on 8th August, 2013 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on 31st July, 2013.

SEGMENT WISE PERFORMANCE

Agency Division

The liquidity constraints of the spinning mills due to heavy losses incurred during the previous financial year were not fully overcome during the year under review inspite of better performance. Hence the mills could not re-commence their normal modernization and expansion programmes yet.

The off take of machinery was slow and hence our agency division could achieve a turnover of Rs. 1579.07 lakhs only during the year.

This division earned a PBT of Rs. 1114.52 Lakhs.

Textile Division

The stabilisation of cotton and yarn prices provided some respite to the spinning mills during the year. There was a moderate improvement in the workings and the division has achieved a turn over of Rs. 14255.58 Lakhs and PBT of Rs. 334.88 Lakhs.

Wind Mill Division

This division has done extremely well with highest generation of wind power during the year under review. However due to frequent and long hours of shutdowns, the power generated by the wind mills could not be fully consumed at our spinning mills and hence unutilized banked power has been billed to TANGEDCO at a lower rate of Rs. 2.75 per unit. This affected the turnover and profits of the division which otherwise would have been much better. This division has achieved a turnover of Rs. 1803.88 Lakhs and a PBT of Rs. 646.76 Lakhs.

Engineering Division

The performance of the division has improved from the last quarter of the year. During the year under review this division has incurred a loss of Rs. 354.61 Lakhs.

EXPORTS

The Company's exports including the supplies to merchant exporters was Rs. 1268.21 Lakhs (Previous year Rs. 1174.89 Lakhs) during the year under review.

PROSPECTS

The cotton prices are comparatively stable. Though yarn prices have come down sharply, it is expected to improve from the second quarter of the current year. The power supply position will be better till October, 2013 in view of the support from windmills during the season. The spinning mills are slowly returning to the normal working and hence the modernization and expansion activities are expected to improve. The Engineering division will also improve its performance during the current year. Considering the above facts the performance of the company is expected to be good during the current year.

DIRECTORS

Sri. J. Raghupathy and Sri. R. Satagopan, Directors, retire by rotation at the ensuing Annual General Meeting. Being eligible, Sri. J. Raghupathy offers himself for re-appointment. However Sri. R. Satagopan does not opt for re-appointment.

Sri. R. Venkatragappan was inducted into the Board of our Company on 9th September, 1983. Then on 25th November, 1989 he was elected as Chairman of the board succeeding Late Sri. G. Devarajan.

Sri. R. Venkatragappan, with his in-depth administrative knowledge and professional expertise gained through years of varied work in public sector, guided the Board of Directors and the Company in all functional domains. He was instrumental in developing a good customer base for the agency division.

The Board records its appreciation of his distinguished and dedicated guidance and valuable contribution for the development and growth of the Company during his tenure of more than 29 years.

Sri. C. B. Kariappa, was inducted into the Board of the Company on 30th June, 1989. Sri. C. B. Kariappa, with his in-depth knowledge in the fields of HR, Corporate planning, industrial relation and insurance, guided the Board of Directors and the Company in all its functions.

The Board records its appreciation of his valuable contribution for the development and growth of the Company during his tenure of more than 23 years.

Sri. N. R. Selvaraj and Sri. S. Venkataraman were appointed as Additional Directors of the company with effect from 29.10.2012 will hold office up to the ensuing Annual General Meeting. A notice proposing their candidatures for the Directorship have been received from shareholders. Necessary resolutions will be placed at the ensuing Annual General Meeting.

FIXED DEPOSITS

There is no deposit remaining unclaimed at the end of the financial year 2012-13. The Company has complied with all the provisions of Section 58A of the Companies Act, 1956 and Rules made there under with regard to acceptance of Deposits.

INDUSTRIAL RELATIONS

Industrial relations are cordial and your Directors appreciate the co-operation extended by the employees.

LISTING

Your Company's shares are listed in Bombay Stock Exchange Limited and Madras Stock Exchange Limited. The listing fee has been duly paid.

AUDITORS

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

COST AUDITOR

Pursuant to the directives of the Central Government under the provisions of Section 233B of the Companies Act, 1956, Sri. G. Sivagurunathan, Cost Auditor has been appointed to conduct Cost Audit relating to the Textile and Engineering Divisions for the financial year 2012-13.

The cost Audit report for the year 2011- 12 has been filed on 8th January, 2013 and the same was filed within the due date.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

In terms of sub-section (2A) of Section 217 of the Companies Act, 1956, the Company has no employee drawing salary exceeding Rs. 60.00 Lakhs per annum or Rs. 5.00 Lakhs per month during the year under review.

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 given in the Annexure I attached.

Technology absorption particulars as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the Annexure II attached.

FOREIGN EXCHANGE EARNINGS AND OUT GO

The Foreign Exchange earnings and outgo during the year under review were as follows:

Foreign Exchange Earned : Rs. 54.58 Lakhs

Foreign Exchange Outgo : Rs. 505.32 Lakhs

Foreign currency Term loan Repayment	: Rs. 138.93 Lakhs
Capital goods imports (including advances)	: Rs. 166.02 Lakhs
Foreign currency Term loan interest payment	: Rs. 7.41 Lakhs
Raw Material imports	: Rs. 132.12 Lakhs
Stores and Spares imports (including advances)	: Rs. 52.81 Lakhs
Others	: Rs. 8.03 Lakhs

ADDITIONAL DISCLOSURES

In line with the requirement of Listing Agreement entered with the Stock Exchanges, Management Discussion and Analysis Report, Corporate Governance Report, A certificate from the Auditors of the Company regarding compliance of Corporate Governance and Related Party disclosures are made part of the Annual Report.

A certificate from CEO/CFO, interalia, confirming the correctness of the financial statements is also made part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- all applicable Accounting Standards have been followed in the preparation of annual accounts and that there is no material departure;
- such accounting policies have been selected and applied consistently and such judgements and estimates made 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, 2013 and of the profit of the Company for the year ended on that date;
- proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis.

GENERAL

The Directors place on record their sincere thanks to all the Principals for the whole hearted co-operation and to the bankers of the Company for their financial assistance. Directors also wish to thank the customers for their support and confidence reposed in the Company and to the employees at all levels for their co-operation and dedication.

By Order of the Board

Coimbatore
22nd May, 2013

SANJAY JAYAVARTHANAVELU
Chairman

ANNEXURE - I
FORM - A
(See Rule 2)

Statement appended to the Directors' Report pursuant to Rule 2(A) 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 31st March, 2013.

		31.03.2013	31.03.2012
A. POWER AND FUEL CONSUMPTION			
1. Electricity			
a. Purchased :	Units	9,05,739	43,11,726
Total Amount	Rs.	75,15,213	2,42,72,972
Rate / Unit	Rs.	8.30	5.62
b. Through own Generation:			
i. through Diesel Generators	Units	89,13,480	43,57,269
Units per litre of diesel oil		3.52	3.49
Cost / Unit	Rs.	13.26	10.91
ii. through Wind Energy Generators	Units	2,31,10,341	2,04,94,889
Cost / Unit	Rs.	4.31	4.51
2. Coal (Specify quantity and where used)		Nil	Nil
3. Furnace Oil		Nil	Nil
4. Other / Internal generation (Please give details)		Nil	Nil

B. CONSUMPTION PER UNIT OF PRODUCTION

Product name

Grey Yarn (Kg)	41,54,296	35,63,810
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Consumption per kg

Electricity (units)	7.59	8.15
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Furnace Oil	Nil	Nil
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Coal	Nil	Nil
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Others (Specify)	Nil	Nil
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ANNEXURE - II
FORM - B
(See Rule 2)

Form for disclosure of particulars with respect to absorption.

Research and development (R & D)

- | | | |
|---|---|----|
| 1. Specific areas in which R & D carried out by the Company. | : | -- |
| 2. Benefits derived as a result of the above R&D | : | -- |
| 3. Future plan of action | : | -- |
| 4. Expenditure on R & D : | : | -- |
| (a) Capital | | |
| (b) Recurring | | |
| (c) Total | | |
| (d) Total R & D expenditure as a percentage of total turnover | | |

Technology absorption, adaptation and innovation

- | | | |
|---|---|----|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation. | : | -- |
| 2. Benefits derived as a result of the above efforts,
e.g., product improvement, cost reduction,
product development, import substitution, etc., | : | -- |
| 3. In case of imported technology (imported during the last
5 years reckoned from the beginning of the financial year)
following information may be furnished | : | -- |
| (a) Technology imported. | | |
| (b) Year of import. | | |
| (c) Has technology been fully absorbed? | | |
| (d) If not fully absorbed, areas where this has not taken place,
reasons there for and future plans of action. | | |

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY OVER VIEW:

Growth in 2012

The World Bank estimated global GDP grew 2.3 percent in 2012. Growth in high-income countries remained weak, with their GDP expanding only 1.3 percent in 2012. Developing countries recorded among their slowest economic growth rates of the past decade in 2012, with GDP estimated to have grown at 5.1 percent. India's GDP growth for the period April-December 2012 declined to 5.0 percent from 6.6 percent a year ago due to the weakness in industrial activity aggravated by domestic supply bottlenecks and slowdown in the services sector.

Outlook for 2013

Global GDP Growth is expected to remain broadly unchanged at 2.4 percent in 2013. Growth for developing countries is projected as 5.5 percent in 2013 as against 5.1 in 2012. During 2013-14, Indian economic activity is expected to show only a modest improvement over last year, with a pick-up likely only in the second half of the year which again depends upon a normal monsoon with which the agricultural growth could return to normal levels. Accordingly, the baseline GDP growth for 2013-14 is projected at 5.7 percent.

The outlook for industrial activity remains subdued due to drying up of new investment and postponement of existing projects and implementation gaps.

The Reserve Bank cumulatively raised the CRR by 100 basis points and the policy repo rate 13 times by a total of 375 basis points, between January, 2010 and October, 2011 to tame the inflation.

In view of slowdown in growth, especially investment activity and some moderation in inflation, the Reserve Bank paused the rate cuts in December, 2011. It indicated that no further tightening might be required and that future actions would be towards lowering the rates. During 2012-13, RBI cumulatively reduced the repo by 100 basis points, the SLR by 100 basis points and the CRR by 75 basis points. This may help the companies to avail funds at lesser cost.

OPPORTUNITIES AND THREATS:

Opportunities:

1. The policy change of import of yarn instead of cotton by the Chinese Government and improvement in the other economies may be helpful in maintaining the steady demand for yarn.
2. Extension of technology upgradation scheme may increase the activities of expansion and modernisation.
3. Normal monsoon is predicted by the Meteorological department and hence the cotton production is expected to be good.

Threats:

1. The demand for the yarn in domestic market is sluggish due to pollution problems and economic slow down.
2. The power shortage may force the mills to use gensets which in turn increase the cost of production.
3. The rising cost of raw material, labour and transportation erase the competitiveness of the Indian Textile Industry in the international market.
4. The deteriorating quality parameters of cotton may affect the quality of yarn.