

SARA ELGI

SUPER



Super Spinning Mills Limited

**60th Annual Report
2021 - 22**



Super Spinning Mills Limited

CIN: L17111TZ1962PLC001200

Corporate Information

Chairman and Managing Director

Mr. Sumanth Ramamurthi

Board of Directors

Mr. Sudarsan Varadaraj

Mr. C G Kumar

Mrs. Suguna Ravichandran

Mr. B Lakshmi Narayana

Mr. Sanjay Krishna Ramamurthi

Mr. Nidheesh A (resigned w.e.f. 31.05.2022)

Chief Financial Officer

Mrs. Narmatha G K

Company Secretary

M/s. Sethia, Prabhadr Hegde & Co., Bangalore

Auditors

Mr. M D Selvaraj, MDS & Associates, Coimbatore

Secretarial Auditor

IDBI Bank

Bankers

State Bank of India

Union Bank of India

Registrar and Share Transfer Agent

Link Intime India Pvt Ltd (Coimbatore Branch)

“Surya”, 35, May Flower Avenue

Behind Senthil Nagar, Sowripalayam Road

Coimbatore - 641 028

Ph : (0422) 2314792, 2315792

E-mail : coimbatore@linkintime.co.in

Registered Office

“ELGI TOWERS”, PB 7113, Green Fields

Puliakulam Road

Coimbatore – 641 045, Tamil Nadu

Ph : (0422) 2311711

Fax : (0422) 2311611

E-mail : investors@ssh.saraelgi.com

Internet : www.superspinning.com

Mills

B Unit : Kotnur, Andhra Pradesh

Super Sara : Beerapalli, Andhra Pradesh

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Notice to the Members

Notice is hereby given that the **60th Annual General Meeting** of the Company will be held on Monday, the 29th day of August, 2022 at 3:00 P.M through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** without the in-person presence of shareholders to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited financial statements including Statement of Profit and Loss (including Other Comprehensive Income) along with the Statement of Cash Flows and the Statement of Changes in Equity for the financial year ended 31st March 2022, the Balance Sheet as at that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Sumanth Ramamurthi (DIN 00002773), Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors and to fix their remuneration

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. CSK Prabhu & Co, (Firm Registration No. 002485S), Chartered Accountants, Coimbatore, be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors, M/s. Sethia, Prabhath Hegde & Co., (Firm Registration No. 013367S) Chartered Accountants, Bengaluru, for a term of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in financial year 2027 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Special Business

4. Re-appointment of Mr. Sumanth Ramamurthi (DIN: 00002773), Chairman and Managing Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the consent of the members be and is hereby accorded for the re-appointment of Mr. Sumanth Ramamurthi (DIN: 00002773) who is also the Managing Director of M/s. Elgi Electric and Industries Limited, as Chairman and Managing Director of the Company, for a further period of five years with effect from 01st April 2023, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors at their respective meetings held on 04th August 2022 on the terms and conditions as mentioned below.

I.	Salary/ Commission/ Allowance/ Perquisites	<p>A total remuneration comprising of salary, commission, allowances, perquisites etc. payable by the company not exceeding INR 125 lakhs per annum.</p> <p>Provided that the aggregate annual remuneration payable to Mr. Sumanth Ramamurthi (DIN: 00002773) by M/s. Elgi Electric and Industries Limited (CIN: U31200TZ1963PLC000487) together with the aggregate annual remuneration mentioned herein shall not exceed, in any financial year, an overall ceiling limit of INR 250 lakhs per annum in accordance with Schedule V of the Companies Act 2013.</p>
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II.	Other benefits	<ol style="list-style-type: none"> 1. Free use of Company car with driver and reimbursement of conveyance expenses and telephones. 2. Mr. Sumanth Ramamurthi shall also be eligible for the following benefits, which shall not be included in the computation of the ceiling on the remuneration. PF: Contribution to Provident Fund to the extent it is not taxable under the Income Tax Act, 1961. Gratuity: Gratuity payable at the rate not exceeding 15 days salary of each year of completed service or as may be notified by the Government from time to time.
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RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration payable to Mr. Sumanth Ramamurthi, Chairman and Managing Director, of the Company shall not exceed the limits specified in Part II of Section II of Schedule V of the Companies Act, 2013 or such limits as may be notified by the Government from time to time.

FURTHER RESOLVED THAT Mr. Sumanth Ramamurthi, (DIN: 00002773), during his tenure as Chairman and Managing Director, shall be liable to retire by rotation and the same shall not be treated as break in his service as Chairman and Managing Director.

RESOLVED FURTHER THAT the Board of Directors (including committees thereof) be and are hereby authorised to alter and vary the terms of re-appointment and / or remuneration payable to the Managing Director, as it may deem fit, subject to the same not exceeding the limits as approved by the shareholders.

RESOLVED FURTHER THAT the Board of Directors or Key Managerial Personnel of the Company be and are hereby authorised to do all such acts, deeds, things and execute all such documents, instruments and forms as may be required and to give effect to this resolution.

5. Re-appointment of Mr. B Lakshmi Narayana (DIN: 00504396), as an Independent Director of the Company

To consider and if thought fit, pass the following resolution as a **Special Resolution**.

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and as per the recommendations of the Nomination and Remuneration Committee and Board of Directors, Mr. B Lakshmi Narayana (DIN: 00504396), Independent Non-Executive Director of the Company who had submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose name is included in the databank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five (5) consecutive years with effect from 01st Jun 2022 to 31st May 2027 and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors (including committees thereof) be and are hereby authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient, to give effect to the above Resolution without being required to seek any further consent or approval of the Members and the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

Explanatory Statement in terms of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**Item No. 3**

In compliance with the provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Sethia, Prabhada Hegde & Co., (Firm Registration No. 013367S) Chartered Accountants, Bengaluru had been appointed as the Statutory Auditors of the Company for a term of five years commencing from the financial year 2017-18 to 2021-22 and to hold office from the conclusion of the Annual General Meeting held on 2017 and until the conclusion of the Annual General Meeting to be held in the year 2022. Since their tenure has come to an end, it has been proposed to appoint M/s. CSK Prabhu & Co, (Firm Registration No. 002485S), Chartered Accountants, Coimbatore as Statutory Auditors for a term of 5 years from the financial year 2022-23 onwards in the place of the retiring auditors.

The Company has also received a certificate from the Statutory Auditors to the effect that their appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013 and that they are eligible to be appointed as the Statutory Auditors of the Company.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors of the Company have recommended the appointment of M/s. CSK Prabhu & Co, (Firm Registration No. 002485S), Chartered Accountants, Coimbatore as Statutory Auditors of the Company for a period of 5 consecutive years from the conclusion of the ensuing Annual General Meeting till the conclusion of Annual General Meeting which ought to be held in the year 2027.

The Board of Directors propose to pay a fee of Rs. 4,00,000/- (Rupees Four Lakhs only), exclusive of taxes and other out of pocket expenses incurred in connection with the audit for the financial year ended March 31, 2023 to the Statutory Auditors. The fees for the subsequent years will be decided by the Board of Directors from time to time based on the recommendations of the Audit Committee. The terms of appointment of the Statutory Auditors will be as specified by the Audit Committee and the Board of Directors of the Company in line with the Companies Act, 2013 and SEBI Listing Regulations. There is no material change in the proposed fee payable to new Auditors as compared to the fee paid to the outgoing Auditors. The proposed statutory auditors will be paid separate remuneration as may be approved by the Audit Committee of the Company for attending to taxation and other works connected with the Company that may be entrusted to them from time to time.

The Audit Committee and the Board of Directors of the Company have considered the following credentials of M/s. CSK Prabhu & Co, (Firm Registration No. 002485S), Chartered Accountants, Coimbatore while considering their appointment:

- Client base of the firm and availability of well trained and experienced professionals in the industry.
- Availability of expertise in Accounting procedures/ processes, Audit, Direct/Indirect Taxation and Corporate Laws.
- Professional integrity, ethics and independence.
- Satisfying the pre-requisite of obtaining the peer review certificate from the institute of Chartered Accountants of India.

By considering the above facts, the Board recommends the Ordinary Resolution set out in Item No. 3 of the Notice for the approval of the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution set out as Item No. 3 of the Notice.

Statement pursuant to Section 102 of the Companies Act, 2013:**Item No. 4**

Mr. Sumanth Ramamurthi, Chairman and Managing Director of the Company was appointed for a period of 3 years from 01.04.2020 and his appointment is due for renewal on 01.04.2023.

Mr. Sumanth Ramamurthi aged 62 years, with a qualification of Electrical Engineering, has more than three decades of experience in the fields of textile and engineering industry. He joined the company during 1992. He is one of the promoter and main contributory to the growth and development of the Company. Considering his contributions, the Nomination and Remuneration Committee at its meeting held on 02nd August 2022, has proposed his reappointment as the Chairman and Managing Director of the Company for a further period of five years from 01st April 2023 to 31st March 2028, on such remuneration as set out in the resolution, in accordance with Section 197 read with Schedule V of the Companies Act, 2013 and recommended the same to the Board for their approval thereon.

Pursuant to the provisions of the Regulation 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of the Board of Directors of the Company at the meeting held on 04th August 2022 had also approved the remuneration payable to Mr. Sumanth Ramamurthi as Managing Director of the Company for the period of 5 years with effect from 1st April 2023 to 31st March 2028 and recommended the same to the Board for their approval.

Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors of the Company at their meeting held on 04th August 2022 had approved the re-appointment and remuneration payable to Mr. Sumanth Ramamurthi for the period of 5 years with effect from 1st April 2023 to 31st March 2028 subject to the approval of the shareholders.

Further, pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment shall be subject to the approval of the shareholders of the Company in the General Meeting. Hence, the Board recommends the resolution set out in Item No.4 of the Notice for the approval of the members. The disclosures as required under Section II(A) of Part II of Schedule V of the Companies Act, 2013 forms part of this report.

Members are informed that Mr. Sumanth Ramamurthi is also proposed to be re-appointed as the Managing Director of M/s. Elgi Electric and Industries Limited (CIN: U31200TZ1963PLC000487) with remuneration with effect from 1st April 2023. Pursuant to Schedule V of the Companies Act, 2013, a managerial person shall draw remuneration from one or both companies, provided that the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person. Further, pursuant to the first proviso under Section II of Part II of Schedule V of the Companies Act, 2013, the payment of remuneration in excess of the limits prescribed under Section II, as applicable, to managerial personnel shall require the approval of the members by passing a special resolution.

The details as required under Schedule V of the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and brief bio-data of Mr. Sumanth Ramamurthi and other disclosures as per Secretarial Standards 2 are furnished and forms a part of this Notice.

Except Mr. Sumanth Ramamurthi, being the recipient of remuneration/appointee, none of the Directors and Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested, financially or otherwise, in the Special Resolution as set out in Item No.4 of the Notice.

Item No. 5

Mr. B Lakshmi Narayana (DIN: 00504396), was appointed as Independent Director of the Company as per the provisions of Section 149, 150, 152, 160 and Schedule IV of the Companies Act, 2013 read with the relevant Rules

thereunder as amended, at the Annual General Meeting held on 01st December 2017 to hold office upto 31st May 2022, for a term of five consecutive years.

As the above named Independent Director shall be completing his first term of appointment upon completion of five years from the respective date of his appointment during the current year, as per Section 149(10) of the Companies Act, 2013, he is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by way of passing a Special Resolution.

Based on the performance evaluation of the Independent Director, the Nomination and Remuneration Committee has recommended the re-appointment of the above said director to the Board as an Independent Director for a second term of five (5) consecutive years. The experience and contributions made by him during his tenure were taken note of by the Board at their meeting held on 18th May 2022. The Board further decided that the continued association of Mr. B Lakshmi Narayana would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, the Board re-appointed Mr. B Lakshmi Narayana as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years on the Board of the Company.

Mr. B Lakshmi Narayana has consented to his re-appointment and is not disqualified from being appointed as Director in terms of Section 164 of the Act and is not debarred from holding the office of Director by virtue of any Securities Exchange Board of India ("SEBI") order or any other such authority. The Company has received declarations from him confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 ("the Act") and as per Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and that his name is included in the databank of Independent Directors as required under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, he fulfills the conditions as specified under the Act read with the Rules made thereunder and the Listing Regulations for re-appointment as Independent Director and is independent of the Management.

Details of Director whose re-appointment as Independent Director is proposed at Item No. 5 is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Company has also received notices from a Member under Section 160 of the Companies Act, 2013 (the Act) proposing his re-appointment as Independent Director for the second term of 5 consecutive years.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of his re-appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days other than on Saturdays and Sundays till the date of the Annual General Meeting.

The Board recommends the resolution set out in item no 5 in relation to appointment of Mr. B Lakshmi Narayana, as Independent Director for another term of five (5) consecutive years, for the approval by the shareholders of the Company. He is not related to any of the Directors of the Company

Except Mr. B Lakshmi Narayana who is deemed to be interested, none of the Directors and Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested, financially or otherwise, in the special resolution set out at Item No. 5 of the Notice.

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 14 dated April 8, 2020 read with Circular No. 17 dated April 13, 2020, Circular No. 20 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 2 dated May 5, 2022 (hereinafter collectively referred to as "MCA Circulars") and SEBI vide its Circular dated 15th January, 2021 reference no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and Circular dated May 13, 2022 (hereinafter collectively referred to as "SEBI Circulars") extended relaxations granted under circular dated 12th May, 2020, which permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered office of the Company. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the Annual General Meeting of the Members of the Company is being held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/ OAVM only.
 2. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.** Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
 3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to investors@ssh.saraelgi.com and to its RTA at enotices@linkintime.co.in.
 4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 5. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is **being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.** Members may note that the physical copy of the Annual Report will not be sent. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.superspinning.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Link Intime India Private Limited at www.instavote.linkintime.co.in. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
 6. The Register of Members and share transfer books of the Company will remain closed from Tuesday, 23rd August, 2022 to Monday, 29th August, 2022 (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.
 7. Brief resume, details of shareholding and Directors' inter-se relationship of Directors seeking election/re-election/ changes in terms as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, are provided as Annexure to this Notice.
 8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
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9. Annual financial statements and related details is posted on the Company's website and is also kept for inspection at the Registered Office of the Company. A copy of the same will be provided to the members on request.
 10. Soft copies of the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection. Members seeking to inspect such registers can send their request to investors@ssh.saraelgi.com
 11. A member who needs any clarification on accounts or operations of the Company shall write to the Company Secretary, so as to reach her at least 7 days before the meeting. The same will be replied by the Company suitably.
 12. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., name of the Bank, Branch, IFSC code, MICR code and place with PIN Code) to their respective Depository Participants and not to the Company. Members whose shareholding is in the physical mode are requested to direct the above details to the Company or to the RTA. Regular updation of bank particulars is intended to prevent fraudulent transactions.
 13.
 - a) Members are requested to notify immediately any change of address:
 - i. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
 - ii. to the Company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/ Telephone Bill/Ration Card/Voter ID Card/ Passport etc.
 - b) In case the registered mailing address is without the Postal Identification Number Code ("PIN CODE"), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/ DPs.
 14. Non-Resident Indian ("NRI") Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
 - a. the change in the residential status on return to India for permanent settlement or
 - b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
 15. Members who are holding shares in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer Agent ('RTA'), the details of such folios together with the share certificates for consolidating their holdings into one folio. The share certificates will be returned to the Members after making requisite changes thereon.
 16. As per the provisions of Section 72 of the Act, facility for making nominations is now available to Individual(s) holding shares in the Company. Members holding shares in physical form may coordinate with the Registrars and Share Transfer Agents of the Company. Members holding shares in electronic form have to approach their depository participants for completing the nomination formalities.
 17. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option
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