

FOCUSED ON
GROWTH

COMMITMENT TO
GROWTH



34th
ANNUAL
REPORT
2017-18



SUPER TANNERY LIMITED

CIN No.:L19131UP1984PLC006421

Registered Office: 187/170, Jajmau Road, Kanpur-208010

CONTENTS

Company Information	1
Notice	2
Director's Report	7
Management Discussion & Analysis	21
Report on CSR	24
Form No. MGT- 9	25
Form No. MR-3	33
AOC - 1	36
AOC - 2	37
Auditor's Report	38
Report on Corporate Governance	44
Balance Sheet	45
Profit & Loss Account	46
Cash Flow Statement	48
Consolidated Financial Statements	86
Attendance Slip and Proxy Form	128
Postal Ballot	130

COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Iftikharul Amin - Managing Director
Mr. Iqbal Ahsan - Jt. Managing Director
Mr. Veqarul Amin - Jt. Managing Director
Mr. Imran Siddiqui - Whole-time Director
Mr. Arshad Khan - Whole-time Director
Mr. Mohd. Imran - Whole-time Director

Non-Executive Directors

Mr. Mohsin Sharif
Mr. Kumud Behari Seth
Mr. P. K. Sinha
Mrs. Sadia Kamal

Chief Financial Officer

Mohd. Imran

Company Secretary

R. K. Awasthi

Auditors

M/s Rajeev Prem & Associates
Chartered Accountants
Kanpur

Plant Locations

- a. Chrome Tannery : 187/170, Jajmau Road, Kanpur – 208010
- b. Sole Tannery : (I) Mona Nagar, Jajmau, Kanpur - 208010
: (II) 187/170, Jajmau Road, Kanpur - 208010
: 169, Jajmau, Kanpur – 208010
- c. Footwear Division : 6, Akrapur, Unnao – 209801
- d. Fashion Shoe Division : 1361, 1363 & 1415 Shekhpur Nari, Banthar, Unnao
- d. Safety Shoe Division :

Registered Office:

187/170, Jajmau Road, Kanpur 208010
Ph: 7522000370, 371, 372
Fax: 0512-2460792, 2462227
Email: info@supertannery.com
Website: www.supertannery.com

BOARD COMMITTEES

Audit Committee

Mr. Kumud Bihari Seth - Chairman
(Non-Executive Independent Director)
Mr. Mohsin Sharif - Member
(Non-Executive Independent Director)
Mr. P.K. Sinha - Member
(Non-Executive Independent Director)

Nomination and Remuneration Committee

Mr. Mohsin Sharif - Chairman
(Non-Executive Independent Director)
Mr. Kumud Bihari Seth - Member
(Non-Executive Independent Director)
Mr. P.K. Sinha - Member
(Non-Executive Independent Director)

Shareholder's / Investors' Grievance Committee

Mr. P.K. Sinha - Chairman
(Non-Executive Independent Director)
Mr. Iftikharul Amin
Mr. Iqbal Ahsan

Bankers

State Bank of India
Overseas Branch
Kanpur

Registrar and Share transfer Agent:

Karvy Computershares Pvt. Ltd.
(Karvy Consultants Ltd.)
46, Avenue - 4, Street No.1, Banjara Hills,
Hyderabad – 500034
Ph: 40-23312454, 23376715
Fax: 40-23311968, 23323041
Email: ussingh@karvy.com; mailmanager@karvy.com

34th Annual General Meeting to be held on Thursday, the 27th September, 2018 at the Registered Office of the Company at 9:00 a.m.

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the members of Super Tannery Limited will be held on Thursday the 27th September 2018 at 9:00 a.m. at 187/170, Jajmau Road, Kanpur-208 010, the registered office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2018 the Balance Sheet as on that date and the reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Imran Siddiqui, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Rajeev Prem & Associates Chartered Accountants as Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Section 181 of the Companies Act, 2013, consent of the members be and is hereby accorded to the Board of Directors of the Company to donate to charitable and other funds not directly related to the business of the Company or the welfare of its employees up to the extent of Rs. 30.00 lacs (Rupees thirty lacs only) during the financial year ending 31st March, 2019."

By Order of the Board of Directors
for **Super Tannery Limited**
R.K. Awasthi
Company Secretary

Place : Kanpur
Date : 11th Aug. 2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 21st September to 22nd September 2018 (both days inclusive).
5. Members holding shares in identical order of names in more than one folio are requested to write to the Company, enclosing the Shares Certificate for consolidation of their holding into one folio.
6. Members holding Shares in physical form are requested to notify the followings to the Registrar and Share Transfer Agent to facilitate better services.
 1. Any change in their address under their signature clearly quoting, their folio numbers, old address along with the changed address with Pin code.
 2. Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of the names for consolidation of such shareholding into one account.
 3. Members holding shares in electronic form may inform any change in address to their Depository Participant.
7. Members holding Shares in electronic form are requested to provide their Client-ID and DP-ID numbers at the meeting for easy identification.
8. Members desirous of obtaining any information/clarification concerning the Accounts and Operation of the Company are requested to address their queries in writing to the Company Secretary at least seven days before the annual General Meeting, so that the desired information may be made available at the Annual general Meeting, if the Chairman permits to do so.
9. The Shares of the Company are compulsorily tradable in demat form. The equity Shares of the Company have been assigned ISIN INE460D01020. Members holding shares in physical form are requested to get their Shares dematerialized at the earliest to make them tradable.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 the amount of dividend/debenture/fixed deposit remaining unclaimed for a period of seven years is required to be transferred to Investor Education and Protection Fund set up by the Central Government.

Accordingly, all unclaimed/unpaid dividend upto the financial year 2009-2010 have been transferred to the "Investor Education and Protection Fund".

Dividend unpaid or unclaimed for the Financial Year 2010-11 may be claimed by the shareholders on or before 5th November 2018. Thereafter, such amount shall be transferred to the "Investor Education and Protection Fund". Kindly note that once the unclaimed or unpaid Dividend is transferred to "Investor Education and Protection Fund" no claim shall lie with the company in respect thereof.

-
- 10 Pursuant to Section 72 of the Companies Act, 2013 shareholders are entitled to make nomination in respect of share held by them in physical form. Shareholders desirous of making nomination are requested to send their request in the prescribed Form to the Registrar and Transfer Agents, M/s. Karvy Computershare Pvt. Ltd., Hyderabad. Members holding shares in electronic mode are requested to consult/contact with their respective Depository Participant (DP) for availing nomination facility.
 - 11 Members are requested to notify immediately change in their address, PIN code, if any to company at its registered office by quoting their folio number.
 - 12 Members' proxies are requested to bring attendance slip duly completed for attending the meeting.
 - 13 Brief Resume of Directors those proposed to be appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and Memberships / Chairmanships and Relationships between Directors inter-se as stipulated under Regulation 27 of the listing agreement with the Stock Exchanges in India, are provided in the report on Corporate Governance forming part of the Annual Report.
 - 14 Voting through electronic means:
 - 15 In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule 2014, the Company is pleased to inform that all the resolutions as stated in the notice can be transacted by electronic voting system and the company has provided members with facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means through e-voting services provided by Karvy:
 - 16 The instructions for e-voting are as under:
 - 17 In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/ Depository Participants (s)]:
 - 18 Launch internet browser by typing the URL: <http://evoting.karvy.com>.
 - 19 Enter the login credentials (i.e. User ID and password mentioned below). Your Folio No. / DP ID- Client Id will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - 20 After entering these details appropriately, click on "LOGIN".
 - 21 You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - 22 You need to login again with the new credentials.
 - 23 On successful login, the system will prompt you to select the "EVENT" i.e., Super Tannery Limited".
 - 24 On the voting page, enter the number of shares (which represents the number of votes) as on the Cut off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - 25 Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
-

SUPER TANNERY LIMITED

- 26 Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- 27 You may then cast your vote by selecting an appropriate option and click on "Submit".
- 28 A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- 29 Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e mail kn.shridhar@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Super Tannery Limited " 34th Annual General Meeting".
- 30 In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants (s) can request physical copy].
- 31 User ID and initial Password as provided below.
- 32 Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.
- 33 In case of any queries relating to e-voting please visit Help & FAQ section of <http://evoting.karvy.com> (Karvy Website).
- 34 You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- 35 The e-voting period commences on 24.09.2018 (9.00 AM) and ends on 26.09.2018 (5.00PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21.09.2018, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further the Members who have casted their vote electronically shall not vote by way of poll, if held at the meeting.
- 36 The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 21.09.2018.
- 37 The Board of Directors has appointed Mr. K.N. Shridhar, Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 38 The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forth with to the Chairman of the Company.
- 39 The Results shall be declared on or after the AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- 40 The results declared along with the Scrutinizer's report shall be placed on the Company's Website: www.supertannery.com and on the website of the service provider (<http://evoting.karvy.com>) within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

EVEN (E Voting Event Number)	User ID	Password

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No 4.

It has been the policy of the company to contribute in those charitable funds, which serve the society at large or for the welfare of its employees, whether such charitable institution are directly related or not with the business of the Company, the action of the Board is taken keeping in mind the responsibility that the Company owes to society as well as to full fill the requirement of CSR by way of promoting preventive health care, promoting education, including special education etc. Sometimes contribution so made exceed the limit prescribed by the section 181 of the Companies Act, 2013. The Board can not do such welfare work, beyond prescribed limit, without the approval of the members. The aggregate of such contribution during the year ending 31.03.2019 is likely to exceed the limit as prescribe by the Act. Therefore, your permission is requested.

The Directors recommend the resolution set out in item no 4 of the Notice for approval of members.

None of the Director of the Company in any way whether, directly or indirectly, except as trustee of trust which receive the fund, is interested or concerned in this resolution.

By Order of the Board of Directors

for **Super Tannery Limited**
R.K. Awasthi
Company Secretary

Place : Kanpur
Date: 11th Aug 2018

DIRECTORS' REPORT

Dear Shareholder,

The Directors of your Company have pleasure in presenting the 34th **Annual Report** on the business and operations of the Company together with Audited Financial Statements for the year ended **31st March 2018**:

FINANCIAL RESULTS			Year ended 31.03.2018 Rs. in lacs		Year ended 31.03.2017 Rs. in lacs
PROFITS:					
Profit before Interest, Depreciation & extra-ordinary items			1385.78		1603.10
Less:	Interest	599.21		705.44	
	Depreciation	569.93		581.38	
	Exchange Fluctuation Loss/(gains)	(403.06)		(121.88)	
	Bad Debts written off	00.00	766.08	0.00	1164.94
Profit before tax			619.70		438.16
Less:	Provision for current tax	220.00		225.00	
	Provision for deferred tax	22.91	242.91	5.74	230.74
Profit after tax			376.79		207.42
Add:	Profit brought forward from previous year	58.07		(178.04)	
	Other Comprehensive Income	12.67		2.14	
	Income Tax relating to earlier Years	29.87	100.61	26.55	(149.35)
	Adjustment related to fixed Assets	-----			
Profit available for appropriation			477.40		58.07

APPROPRIATIONS:

(a) Transfer to General Reserve	00.00	00.00
(b) Proposed Dividend	00.00	00.00
(c) Provision for tax on Proposed Dividend	00.00	00.00
(d) Balance carried over to next year	477.40	58.07
	477.40	58.07

NOTE : Figures of the previous year have been re-grouped/re-arranged in order to make them comparable.

DIVIDEND:

The Board of Directors of your Company have not recommend dividend for the year ended 31st March, 2018.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as provided under sub-section (3) of section 92 of the Companies Act,2013 ('the Act')in prescribed form MGT-9 is enclosed as Annexure "I" to this report.

OPERATIONAL REVIEW:

During the year under review, the income from operation of the company was Rs 23,692.49 lacs as against Rs 20,154.50 lacs during the last financial year, shows improvement in the operational income by Rs 3,537.99 lacs. The company's Gross Profit (profit before interest, depreciation and extra ordinary items) is Rs 1,385.78 Lacs. The company's overall growth is satisfactory despite recession in the market.

SUBSIDIARY COMPANIES:

The Company has five subsidiaries namely: Super Corporation Limited, Aarifi Tanners Limited , Super Tannery UAE FZE, Super Tannery (UK) Limited and Super Italia s.r.l Pursuant to the General exemption granted under old Section 212 (8) of the Companies Act, 1956, by Government of India, Ministry of Corporate Affairs, vide General Circular

SUPER TANNERY LIMITED

No.2/2011, the Profit and loss account for the year ended 31.03.2018 and Balance Sheet as on that date, in respect of the subsidiaries of the Company have not been attached to the Annual Report of the Company. However, the requisite information for each subsidiary, as stipulated vide above General Circular No.2/2011, has been disclosed in the prescribed form AOC-1 . The Annual Accounts of the subsidiary companies and related detailed information will be made available to the investors seeking such information. The Annual Accounts of the subsidiary companies will be kept open for inspection by any investor at the head office of the Company and the subsidiary concerned.

INDUSTRIAL RELATIONS:

During the period industrial relations have been extremely cordial. Employees' cooperation and co-ordination had been an important factor in the growth of the organization.

FIXED DEPOSITS:

The Company has not accepted/renewed any deposit during the year under review, under the provisions of the Companies Act 2013 and the rules framed thereunder.

CLAUSE 32 OF THE LISTING AGREEMENT:

As per the amended Listing Agreement, it is hereby disclosed that the Equity shares of the Company are listed at Bombay Stock Exchange. Pursuant to Board meeting held on 27th Feb 2010, the company has applied for listing of its shares at National Stock Exchange. The application is still pending with National Stock Exchange. Besides above the Board of Directors at its Meeting held on 16.06.2015 has proposed the Demerger of Unit-3 (Goat Tannery) with Amin Tannery Limited. The Company has filed the application with Allahabad High Court, the Allahabad High Court has transferred the proceeding to N.C.L.T. Allahabad for further proceedings on 27.12.2017 the Hon'ble NCLT has sanctioned the Scheme of Demerger with Amin Tannery Limited. As per the Scheme, the demerged undertaking of Super Tannery Limited will stand transferred to the resulting Company ie Amin Tannery Limited with effect from 1st April 2017, the modified appointed date. The Scheme has already been approved by the BSE Limited.

HUMAN RESOURCES MANAGEMENT:

Employees are vital to the Company. We have created a favorable work environment that encourages humble relationship. We have also set up a scalable recruitment and human resources management process, which enables us to attract and retain high caliber employees. The Company also has started with collaboration of UP Leather Industries Association a training centre for recruiting trained labours.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013:

Your Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various intervention and practices. It is the continuous endeavor of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including Sexual harassment.

During the year ended 31 March 2018, no complaint pertaining to sexual harassment was received by the Company.

PARTICULARS OF EMPLOYEES

A statement of particulars of employees as specified under the Companies Act, 2013 as amended from time to time, is set out in the Annexure forming part of Directors' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, and FOREIGN EXCHANGE EARNING & OUTGO:

Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are set out in the Annexure forming part of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant or material orders were passed by the Regulators or Courts or Tribunals during the previous year which may impact the going concern status of the Company's Operation in the future.

WHISTLE BLOWER POLICY/VIGIL MECHANISIM:

To create enduring value for all stakeholders and ensure the highest level of honesty, and ethical behavior in all its operations, the Company has formulated a Vigil Mechanism named as SUPER Whistle Blower Policy' in addition to the existing code of conduct that governs the action of its employees. This Whistleblower policy aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, Unethical or inappropriate events (behaviors' or practices) that effect Company's interest/image. A copy of the Policy is available on the website of the Company and may be accessed through the web link [www:http://supertannery.com](http://supertannery.com)

DIRECTORS & KMP:

In terms of Article 125 of the Articles of Association of the Company, Mr.Imran Siddiqui, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for his re-appointment. Brief resume of Directors, those proposed to be re-appointed their expertise in specific functional areas and names of other companies in which Directorship held and the membership of committee of the Board as stipulated under clause 49 of the listing Agreement are given in corporate governance annexure, attached to this report.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section(6)of section 149 of the Companies Act,2013.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

For the purpose of selection of any Director, the Nomination & Remuneration Committee identifies persons of integrity who posse's relevant expertise, experience and leadership qualities required for the position and also takes into consideration recommendation, if any received from any member of the Board. The Committee also ensures that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act,2013 or other applicable laws.

The Board has, on the recommendation of the Nomination &Remuneration Committee framed a policy for selection, appointment and remuneration of Directors &senior Management.

The Remuneration policy of the Company is disclosed in the Corporate Governance Report, which forms a part of the report.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

In compliance with the requirements of Regulation 27 of the listing Agreement, the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with the Company, their roles rights responsibilities in the Company, nature of the Company in which Company operates, business model etc.

REPORT ON CORPORATE GOVERNANCE:

Pursuant to Regulation 27 of the Listing Agreement, a report on Corporate Governance is given in Annexure to this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) read with section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st March 2018, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2018 on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with Accounting Standard AS-21 on Consolidated Financial Statements, your Directors have pleasure in attaching the Consolidated Financial Statements which form part of Annual Reports and Accounts. These consolidated financial statements include accounts of Super Tannery (U.K.) Limited, Aarifi Tanners Limited, Super Corporation Limited , Safety Tannery UAE, FZE, and Super Italia s.r.l.

AUDITORS: M/s. Rajeev Prem & Associates Chartered Accountants, Kanpur (Registration No 008905C) the statutory Auditors of the Company are retiring at the ensuing Annual General Meeting and being eligible, we recommend their re-appointment. They have furnished a certificate to the effect that their re-appointment if made, will be in accordance with the provisions of Companies Act,2013.

COST AUDITOR:

The requirement of Cost Audit report does not applicable to the Company as per MCA circular. Hence no report was filed.

SECRETARIAL AUDITORS:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S K.N. Shridhar, & Associates, Company secretary Kanpur to undertake the secretarial Audit of the Company.

The Secretarial Audit Report is annexed herewith vide form No. MR - 3

The Audit Report and the Secretarial Audit Report for the financial year 2016-17 does not contain any qualification, reservation or adverse remark by the Auditors.

LOANS, GUARANTEES & INVESTMENTS:

The particulars of Loans, guarantees and investments have been disclosed in the financial statements.

RELATED PARTY TRANSACTIONS:

The policy on Related Party Transactions as approved by the Board is available on the website of the Company www.supertannery.com.

All contracts/arrangements entered by the Company during the previous financial year with the related parties were in the ordinary course of business and on arm's length basis. The Audit Committee and the Board of Directors reviewed the transaction (which are repetitive in nature) and the Audit Committee granted approval for such transactions.

The disclosures as required under AS-18 have been made in notes forming part of the standalone financial statement. The particulars of contracts or arrangements entered in to by the company with related parties referred to in sub-section (1) of section 188 of the companies Act, 2013 has been disclosed in Form No.AOC-2 which is annexed hereto.

AUDITORS' REPORT:

The comments of the Auditors in their Audit Report and reference to "Notes on Accounts" forming part of the Financial Results are self explanatory and need no further comments.

ACKNOWLEDGEMENT:

Your Directors would like to express their gratitude and appreciation for the continued support and co-operation received from State Bank of India, Central & State Government Authorities, Regulatory Bodies, Stock Exchanges and Shareholders.

Your Directors wish to place their deep sense of appreciation on record for the devoted services of the officers, staff and workers of the Company.

On behalf of the Board of Directors

Place: KANPUR
Date: 11. 08.2018

IFTIKHARULAMIN
Managing Director

MOHD.IMRAN
Whole Time Director

ANNEXURE I TO THE DIRECTORS' REPORT

Statement as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies(Accounts) Rules, 2014 .

(a) Conservation of Energy:

- (1) Energy conservation measures taken:Upgradation of power generation and distribution systems for long term energy savings. Special emphasis has been laid on boiler and steam generation.
- (2) Additional investments and proposal, if any, being implemented for reduction of consumption of energy: Introduction of energy saving devices and systems in process machines.
- (3) Impact of the measures at (1) & (2) above for the reduction of energy consumption and consequent impact on the cost of production of goods:Energy conservation measures have helped in generation of required quantity of steam at a minimum cost which resulted in improving efficiencies and reduction in costs.
- (4) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule thereto:Not Applicable

(b) Technology Absorption: Research and Development (R & D):

- (1) Specific area in which R & D carried out by the Company:(a) New product development based on different raw hides/skins.(b) Apart from production of safety footwear establishing standard products for fashion shoes/sandals.
- (2) Benefits derived as a result of the above R & D:(a) Cost reduction and better unit realization.(b) Better product acceptance.
- (3) Future plan of action:To continue to invest in R & D for faster introduction of new products.
- (4) Expenditure on R & D:

	2017-18	2016-17
	(Rs in lacs)	(Rs in lacs)
(a) Capital	0000	0000
(b) Recurring	18.52	39.78
(c) Total	18.52	39.78
(d) Total R & D Expenditure as % of turnover	0.08%	0.17%

Technology Absorption, Adoption And Innovation:

- (1) Efforts, in brief, made towards technology absorption, adoption and innovation: The Company is using indigenous technology and is developing in house technology and is not dependant on any outside technology /source.
- (2) Benefits derived as a result of the above efforts: Not Applicable
- (3) Incase of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year):

(a) Technology imported	Not Applicable
(b) Year of import	
(c) Has technology been fully absorbed?	
(d) If not fully absorbed, areas where not taken place, reasons therefore and future plan of action	

(c) FOREIGN EXCHANGE EARNINGS & OUTGO:

(1) Activities relating to exports, initiative taken to increase exports, development of new export markets or products and export plans: On Export front, Company's performance is quite satisfactory and it is expected to be strong in the time to come.

(2) Total foreign exchange earned & used:

	2017-18 (Rs in lacs)	2016-17 (Rs in lacs)
(a) Foreign exchange earned (FOB value of exports)	17,465.94	16221.18
(b) Foreign exchange used	2027.98	1816.10

(d) STATEMENT OF PARTICULARS OF MANAGING AND JOINT MANAGING DIRECTORS FORMING PART OF THE DIRECTORS' REPORT:

Name	Designation	Gross Remuneration	Qualification	Experience (Years)	Date of Commencement of employment	Age (Years)	Particulars of previous employment
Mr. Iftikharul Amin	Managing Director	Rs. 26,00,000	Post Graduate	34	06.02.1984	60	Promoter
Mr. Iqbal Ahsan	Jt. Managing Director	Rs. 26,57,600	Graduate	30	21.12.1988	57	Promoter
Mr. Veqarul Amin	Jt. Managing Director	Rs. 26,57,600	Leather Technologist	28	01.01.1990	55	Promoter

Notes :

1. Mr. Iftikharul Amin, Mr. Iqbal Ahsan and Mr. Veqarul Amin being brothers are related to each other within the meaning of schedule IA of Companies Act, 2013.
2. Remuneration includes salary and perquisites as per rules of the company and recorded under the Income Tax Act, 1961.

On behalf of the Board of Directors

Place: KANPUR
Date: 11. 08.2018

IFTIKHARULAMIN
Managing Director

MOHD.IMRAN
Whole Time Director

ANNEXURE –II TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE:

In accordance with the Regulation 17-to 27of (LODR) Regulation 2015 of the Listing Agreement with the Stock Exchanges in India (Regulation27) and some of the best practices followed internationally on Corporate Governance, the report containing the details of governance system and processes at Super Tannery Limited are as under:

Corporate Governance Philosophy

At Super Tannery Limited it is our belief that as we move closer towards our aspirations of becoming a global corporation our corporate governance standards must be globally benchmarked. That gives us confidence of having put in the right building blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner.

Shareholders Communications

The Board recognizes the importance of two-way communication with shareholders for giving a balanced report of results & progress and responds to the questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting. Shareholders can contact the company via dedicated shareholder contact points or through any of Investor Service Centre of the Company's Registrars and Transfer Agents. The company ensures that queries, complaints and suggestions are responded in a timely and consistent manner.

Role of Company Secretary in Overall Governance Process

The Company Secretary holds a key role in ensuring that the Board Procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meeting. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the company have access to the advice and services of the Company Secretary.

Observance of the Secretarial Standards issued by the Institute of the Company Secretaries of India

The Institute of the Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on important aspects like Board Meetings, General Meeting, Payment of Dividend, Maintenance of Registers and records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolution By Circulation, Affixing of Common Seal, Forfeiture of Shares and Board's Report although these standards are recommendatory in nature, the Company substantially adheres to the standards voluntarily.

1. BOARD OF DIRECTORS:

- (i) The company has non-executive Chairperson and the number of Independent Directors being more than 33% as per Companies Act 2013 the Board is in conformity with Regulation 17 of LODR Regulation 2015 and the listing agreement with the Stock exchanges.
- (ii) None of the directors on the Board is a member of more than 10 Committees or Chairman of more than 5 committees as specified in the regulation across all the Companies in which he/she is a director. Necessary disclosure about position in other public companies as on 31st March 2018 has been made by the Director.
- (iii) The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and the number of Directorships and Committee Chairmanship/Membership held by them in other companies is given below. Other directorships do not include alternate directorship and directorship of private limited companies, Chairmanship/Membership of Board Committees included on Audit, Remuneration and Shareholder/Investors Grievances committees.

(iv) The present strength of the Board is 11 comprising seven executive and four non-executive directors. During the year 2017-18, the Board met 5 times (as against the minimum requirement of four meetings) on the following dates: 30th May 2017, 14th Aug 2017, 12th Sep, 2017, 14th Dec. 2017, and 14th Feb 2018, the maximum time gap between any two board meetings was not more than one hundred and twenty days.

The following table gives details of directors' attendance at the Board meetings and at the last Annual General Meeting, number of membership held by director in the Board/Committees of various companies:

Name	Category	Attendance Particulars		Number of other Directorships Committee Member/Chairman		
		Board Meetings	Last AGM	Director-ships	Other Committee Membership	Committee Chairman
Iftikharul Amin	MD	5	Yes	5	1	
Iqbal Ahsan	JMD	4	Yes	5	1	
Veqarul Amin	JMD	3	NO	4		
Imran Siddiqui	ED	5	Yes	2		
Arshad Khan	ED	2	YES			
Mohd. Imran	ED	5	YES	2		
Yogendra Singh Katiyar	ED	2	Yes			
Kumud Behari Seth	NED-I	1			3	2
P. K. Sinha	NED-I	3		1	3	1
Sadia Kamal	NED-1	5				
Mohsin Sharif	NED-I	1		1	2	1

MD-Managing Director; JMD-Joint Managing Director; ED-Executive Director; NED-I-Non-Executive Director –Independent.

None of the Director is member of more than 10 committees or Chairman of more than 5 committees across all companies in which he/she is Director. Brief resume of Directors seeking re-appointment, nature of their expertise in specific functional area, is given here under:

- a. **Mr. Imran Siddiqui:** Mr. Imran Siddiqui, Age 60 years is a Chemical Engineer and has been associated with the Company for the last 35 years and closely involved in the Operations of the Company. He was introduced in the Board in the year 1992-93. He has vast experience and has visited many countries for this purpose and gained rich experience. His service is required for steering the company. Mr. Imran Siddiqui is also Director of Secure safety Limited and Jajmau Tanneries Environmental Protection association.

3. AUDIT COMMITTEE:

The Audit Committee consists of three Members - Mr. Kumud Behari Seth (Non Executive Independent Director) acts as Chairman, Mr. Mohsin Sharif (Non Executive Independent Director) member and Mr.P.K.Sinha(Non Executive Independent Director) member of the committee. During the year 4 meetings were held one of which was before finalization of annual accounts. The said meetings were held on 30th May 2017, 12th Sep.2017, 14th Dec. 2017, 14th February 2018. The meetings of the committee were attended by the members of the committee. Mr. Kumud Behari Seth has financial and accounting knowledge.

The meetings of Audit Committee were attended by the heads of accounts & finance and other respective functional heads and statutory auditors as invitees. Members held discussion with the statutory auditors during the meetings of the Committee and half yearly and annual audited financial accounts of the company were reviewed by the Audit Committee before consideration and approval by the Board. The Committee reviewed the internal control system also.

The terms of reference specified by the Board to the Audit Committee are as contained under Regulation 17-27 of (LODR) of the Listing Agreement. They are as follows:

- a. Oversight of the company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the Board, (i) the going concern assumption (ii) compliance with accounting standards (iii) compliance with stock exchange and legal requirements concerning financial statements.
- d. Reviewing the adequacy of internal audit functions.
- e. Discussion with internal auditors any significant findings and follow-up there on.
- f. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- g. Discussion with external auditors before the audit commences nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

4. NOMINATION AND REMUNERATION COMMITTEE:

For better compliance of Corporate Governance, the Remuneration Committee of the Company has been designed to determine Company's policy on specific remuneration package of Executive Directors on the basis of their performance. The Remuneration and Commission decided by the Committee are paid in accordance with the Companies Act, 2013. The Composition of Remuneration Committee is as follows:

Name		Status
Mr. Mohsin Sharif	(Non Executive Director - Independent)	Chairman
Mr. Kumud Behari Seth	(Non Executive Director - Independent)	Member
Mr. P.K.Sinha,	(Non Executive Director - Independent)	Member

Details of remuneration paid to Directors are given below:

Name of Director	Salary including perquisites	Sitting Fees	Total (Rs` in lacs)
Mr. Iftikharul Amin	26,00,000	--	26,00,000
Mr. Iqbal Ahsan	26,57,600	--	26,57,600
Mr. Veqarul Amin	26,57,600	--	26,57,600
Mr. Imran Siddiqui	7,57,500	--	7,57,500
Mr. Mohd. Imran	4,58,700	--	4,58,700
Mr. Arshad Khan	4,58,700	--	4,58,700

The Non-Executive Directors are not paid any remuneration.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

The Company has constituted Shareholders' / Investors' Grievance Committee (the committee), comprising Mr.P.K.Sinha, Chairman, Mr. Iftikharul Amin and Mr. Iqbal Ahsan. The Committee, inter-alia, approves issue of duplicate certificates and reviews all matters connected with the securities transfer. The Committee also looks into redressing of Shareholders' / Investors' Complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc. Mr R.K. Awasthi, the Company Secretary acts as a Secretary of the Committee as well as Compliance Officer. Total No. of complaints received and replied to the satisfaction of shareholders during the

year was 42. No outstanding complaints were lying unresolved as on 31st March 2018. No investors' grievances are pending for a period exceeding one month with the Company.

CSR COMMITTEE:

The Company has constituted CSR Committee (the committee), comprising Mr. Kumud Behari Seth, Chairman, Mr. Mohd. Imran, and Mr. Iqbal Ahsan. The Committee, inter-alia, approves the CSR activities as run by the Company through its Amin Welfare Trust. Besides this it has been the policy of the Company to take up activities such as healthcare including preventive healthcare, education etc. During the year company has spent more than 2% of the average net profit of the Company through its Hospital and Schools.

The basic aim of the Company CSR policy is to improve the lives of the local Community.

6. GENERAL BODY MEETINGS:

During the last three years, following Annual General Meetings (AGM) & Extra Ordinary General Meeting (EGM) were held:

Year	Location	Date	Time
2014-15 (AGM)	187/170 Jajmau, Kanpur	30.09.2015	9.00 a.m.
2015-16 (EGM)	same as above	05.12.2016	11.00 a.m.
2015-16 (AGM)	same as above	30.09.2016	9.00 a.m.
2016-17 (AGM)	same as above	29.09.2017	9.00 a.m.

7. DISCLOSURE:

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company. All the related party transactions are negotiated on arms length basis and are only intended to safeguard the interest of the company. Wherever necessary, the related party transactions are disclosed in Notes to the Accounts, forming part of the Annual Report.

- (b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

8. MEANS OF COMMUNICATION:

Quarterly Results: The quarterly results were published in the `The Pioneer (English), New Delhi and `Dainik Aaj (Hindi), Kanpur. **The Management Discussion and Analysis (MD & A)** is a part of Annual Report.

9. INSIDER TRADING:

In accordance with Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation 1992, as amended in February 2002, the Board of Directors of the company formulated the code of conduct for prevention of insider trading in shares of the company by its employees.

10. GENERAL SHAREHOLDER INFORMATION:

10.1 ANNUAL GENERAL MEETING: Date and Time 27th September 2018 at 9:00 a.m.

10.2 FINANCIAL CALENDAR 2018-19: (Tentative)**BOARD MEETINGS:**Results for the quarter ending 30.06.2018: 2nd week of August 2018Results for the quarter ending 30.09.2018: 2nd week of November 2018Results for the quarter ending 31.12.2018: 2nd week of February 2019

Results for the quarter ending 31.03.2019: Last week of May 2019 (as per Listing Agreement.)

10.3: BOOK CLOSURE DATE/ record date: 21st September 2018 to 22nd September 2018 (both days inclusive)**10.4: Dividend:** Your Directors have not recommended dividend for the year ended 31st March 2018.**10.5:(a) LISTING OF EQUITY SHARES ON STOCK EXCHANGES AT:**

1.The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI-400001.

NOTE: Annual Listing Fees for the year 2018-19 as applicable has been paid to the BSE.**(b) DEMAT IS IN NUMBERS IN NSDL & CDSL:** Equity Shares INE460D01020**10.6: STOCK CODE:** Trading in Mumbai Stock Exchange and Stock Code is 523842.

Performance of Company's Equity Share

Months	Company's Equity Share	
	High	Low
April 2017	4.90	4.29
May 2017	4.94	3.92
June 2017	4.60	3.90
July 2017	5.30	3.92
August 2017	5.03	3.75
September 2017	4.61	4.00
October 2017	4.99	4.14
November 2017	5.79	4.61
December 2017	9.89	5.15
January 2018	9.49	6.04
February 2018	8.25	5.93
March 2018	5.90	4.75

10.7: REGISTRAR AND TRANSFER AGENT:

KARVY Computershare Pvt. Ltd. (Karvy Consultants Ltd.)

Karvy Selenium Tower B", Plot No 31&32, Financial District, Nanakramguda, Gachibowli,
HYDERABAD-500032 Telangana, India

Phone: 40-67162222, 33211000 ; Fax: 40-23420814

Email: ussingh@karvy.com; mailmanager@karvy.com**10.8: SHARE TRANSFER SYSTEM:**

In compliance of SEBI Circular No.D&CC/FITTC/CIR-15/2002 dated 27th December 2002, your Company has appointed common agency to shareholders for all the work relating to share registry in terms of both

physical and electronic at single point by our Registrar & Transfer Agent i.e. KARVY Computershare Pvt. Ltd. (Karvy Consultants Ltd.) Hyderabad. The share transfers, which are received in physical form, are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respect.

10.9: SHARE HOLDING PATTERN AS ON 31.03.201 8

S. No.	Description	Cases	Shares	% Equity
1	BANKS	1	3000	0.00
2	CLEARING MEMBERS	4	4960	0.07
3	DIRECTORS AND THEIR RELATIVES	10	63461434	58.77
4	H U F	137	2698033	2.50
5	BODIES CORPORATES	86	3834316	3.55
6	NRI Non-Repatriation	27	122883	0.11
7	NON RESIDENT INDIANS	68	533028	0.49
8	RESIDENT INDIVIDUALS	6533	33628792	31.15
9	IEPF	1	3686914	3.41
	Total:	6867	107973360	100.00

10.10: Distribution Schedule as on 31st March 2018:

Category	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1- 5000	5900	85.92%	11325148	11325148	10.49 %
5001- 10000	563	8.20%	4043275	4043275	3.74%
10001- 20000	191	2.78%	2768317	2768317	2.56%
20001- 30000	75	1.09%	1913858	1913858	1.77%
30001- 40000	26	0.38%	924135	924135	0.86%
40001- 50000	29	0.42%	1356174	1356174	1.26%
50001- 100000	38	0.55%	2698128	2698128	2.50%
100001 & Above	45	0.66%	82944325	82944325	76.82%
TOTAL	6867	100.00%	107973360	107973360	100.00%

10.11: DEMATERIALISATION OF SHARES AND LIQUIDITY:

The company has entered into agreement with NSDL and CDSL for the dematerialization of its equity shares. The equity shares of the company are frequently traded on the BSE. Approximately 90.03% of the equity shares issued by the Company have been dematerialized up to 31st March 2018

10.12: OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY : Nil

10.13: PLANT LOCATIONS:

- (a) Chrome Tannery : 187/170, Jajmau Road, Kanpur-208 010
- (b) Sole Tannery : (i) Mona Nagar, Jajmau, Kanpur-208 010.
: (ii) 187/170, Jajmau Road, Kanpur – 208 010
- (c) Fashion Shoe Division : 6, Akrapur, Unnao – 209 801
- (d) Footwear Division : 169, Jajmau, Kanpur-208 010.
- (e) Safety Shoe Division : 1361, 1363 & 1415 Shekhpur Nari, Banthar, Unnao

10.14: ADDRESS FOR INVESTORS' CORRESPONDENCE:

SUPER TANNERY LIMITED

Shareholders correspondence should be addressed to our Registrar & Transfer Agents at the address mentioned above. Shareholders may also contact Company Secretary at the Registered Office of the Company at:

187/170, Jajmau, Kanpur-208010

Phone: 7522000370, 371, 372 Fax: 0152-2460792,

E-mail: share@supertannery.com; info@supertannery.com

Website: www.supertannery.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

11. CODE OF CONDUCT:

The Company has a code of conduct applicable to its Directors and senior management personnel.

Declaration as required under the Listing Agreement:All Directors and senior management of the company have affirmed compliance with company's Code of Conduct for the financial year ended 31st March 2018.

IFTIKHARUL AMIN
Managing Director

Kanpur: 11.08.2018

12. NON-MANDATORY REQUIREMENTS:

The company has adopted non-mandatory requirements to the following extent:

Chairman of the Board – The Company does not have a Chairman. At every Board meeting, a Director is elected to preside over the meeting. The company has constituted Remuneration committee of the Board.

On behalf of the Board of Directors

Place: KANPUR
Date: 11. 08.2018

IFTIKHARULAMIN
Managing Director

MOHD.IMRAN
Whole Time Director

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development:

The Indian Leather Industry plays a significant role in the Indian Economy in view of its substantial export earnings, employment generation and growth opportunities. The export of leather and leather products has increased over past few years.

The Company is striving high to capture over Global Market in respect of Leather and Leather Products. The Company has taken various steps to promote company's products all over the world and it is being done in line with global trends to enhance scale, global competitiveness and financial flexibility and also to contribute towards achievement of company's objective and to increase revenue, production volume, market shares and shareholder's returns.

Your company in view of the competitive scenario has taken various steps to meet these challenges and also capitalize on budding opportunities available. The company is regularly carrying out detailed analysis of leather industry and has been making all possible efforts to understand the various minutiae of the emerging market scenario. The company has been investing considerable amount of funds on its Research & Development Programmes in order to enrich and improve the quality of products.

Opportunities:

Company has gained reputation and established itself globally as Supplier of quality products. The company has demonstrated global competitiveness and has achieved international standards for the quality of its products and its immense capabilities provide massive opportunities in the foreign market. Company's overall strategy is to enhance shareholder value by receiving better returns through a long-term investment.

Threat:

The company is fully aware of the factors dictating competition and has been investing with the ups and downs through its various effective measures like cost optimization, competitive pricing, improved production process and enhanced customer satisfaction.

Even under difficult operating conditions, company has been consistently performing at its best. It is expected that company's sound policies, competitive cost position will enable the company to lead the market effectively.

To exist in the competitive market and improve the value of shareholder, company is consistently considering all the significant factors, which provide sharp edges that enable company to enhance the margin.

Out Look:

Company's maximum operational income is based on the margin on export of leather and leather products. As most of part of the earning is realized from Export, out look depends upon the global economic scenario, global demand and supply and International product prices. Above all the performance of your company largely depends on the Ex-imp policy of the Union Government. Looking at the overall development of the Indian economy and the efforts of the Central Government to achieve higher GDP, Board of directors of your company is very much optimistic to the future of the Company.

Risks and Concerns:

Although Your Company does not perceive any serious threat, still company is taking care against the risk of growing pressure of prices, foreign exchange rates variation, current and future litigation, working capital management, bad debts etc. Foreign exchange liabilities / revenues are mainly concerned with the company's operation. Regular monitoring of movement of foreign exchange rates is carried out and decisions are taken as to when outstanding are

to be covered and payments are to be made. Working Capital requirement are to be kept at minimum level in order to maintain the lowest possible interest rate.

Company has strongly prepared itself to meet cutthroat competition in global market by adhering to international quality standards of its product.

In addition to above company has overall risk management strategy, follows such practices & policies that are framework of efficient management to count the risk in advance.

Internal Control System and their Adequacy:

The company has made sufficient arrangement for internal control system and its monitoring for keeping proper record of the purchase of raw materials, stores, components, plant and machineries, equipments and all other assets for production and sale of finished leather and leather products. The company has clearly fixed rules and responsibilities for all management personnel and all operational activities are well controlled. The system ensures authorization of all transactions, records and the reports correctly and properly through computerized system.

The Audit committee of the Company also re-examines adequacy of internal controls, systems of risk management policies adopted by the Company.

Company's Laws and Regulations are also reviewed by the internal Audit Team regularly from time to time and its report is submitted to the promoters. In order to provide sufficient support for business promotion of the company, the finance and commercial functions have been properly set. The company takes into account from time to time and Analysis its progress in accordance with the Laws and Regulations set by the internal auditors. In support of best practices for internal control, standard operating norms and guidelines are being issued. The Company also ensures all financial operating, and information technology systems are also evaluated from time to time.

Environment and safety:

The Company feels its responsibility and is fully aware of the importance to achieving exhibiting healthy environmental performance by checking effect of its activities, product or services for the environment. The environment policy of the company fully complies with the environmental laws and prevention of water, air and noise pollution and all efforts are made for continual improvement in the environmental performance. The Company has also initiated focusing its attention on "Charter on Corporate Responsibility" under the policy of the Government of India. The Company takes all measure to save and minimize the environmental effect on air, water by strictly using and further sounding its environmental management system to meet its objective. The Company ensures providing safe work place, machines and safety control measures within the organization and a sense of safety consciousness is spread amongst all the workmen, employees and supervisors.

Industrial Relations and Human Resources Development:

The Company gives much importance to maintain good relations with its employees ensuring that employees feel valued and energetic in creating an atmosphere and culture so that they can maximize their contribution in increasing the growth and further development of the company, and in turn the Company thinks of individual growth of its employees for their dedicated participation in organizational development.

The company's priority is to reduce the employee's turnover ratio. The company's approach and efforts are to create congenial work environment for individual growth, which enable the development of whole organization. Relationship with the employees remains cordial through out the year. The company has a team of over 525 dedicated employees working towards the company's mission.

Discussion of Financial Performance with respect to Operational Performance:

Effective working management is regularly concentrating to reduce the cost of debt as much as possible. Prudent cash management endeavor to utilize the optimum Working Capital in order to reduce the interest cost and also to avoid the bottleneck of company's operation.

Research & Development

The company is committed to continue technological innovation, physical and chemical standardization and improvement to achieve high standards of product quality and customer satisfaction

Key factors that keep the company one step ahead:

- a. Extensive interaction with the latest technological developments.
- b. Presence in all major trade fairs, seminars and workshops for optimum knowledge up gradation.
- c. Well qualified and progressive workforce.
- d. Fully equipped Laboratory

The tannery units of the company work under guidance of a well-equipped laboratory conducting physical and chemical tests. It also has a pilot tannery to conduct trials of new leathers at a small scale before its implementation in bulk production. The laboratory has all the requisites to perform tests of leather as per EN, ISO and DIN standards. The company is amongst few companies which provide certification as per the REACH guidelines of European Chemicals Agency.

Design Studio: The footwear units of the company conduct their production as per the guidance of a newly built, state of the art designing cell, lead by well qualified shoe technologists and designers. Due to a rapid change in the product profile over the past few years, this studio was installed keeping in mind the ever-changing tests and preferences of the customers, while keeping time frame into consideration.

Quality Assurance: A major factor which keeps the company ahead is its obsession with total quality, which includes products of the highest standards, quick and efficient customer service, leading to complete customer satisfaction. Factors like these help the company to retain customers, some of them, for as long as 31 years.

Fair Participation

Asia Pacific Leather fair, Hong Kong
Lineapelle, Bologna, Italy
Moda, Birmingham, United Kindom
All China Leather Exhibition, Shanghai , China
A+A Fair, Dusseldorf, Germany
Fimec Fair, Novo Hamburgo, Brazil

Cautionary Statement:

Statements in the Management Discussion & Analysis Report which seek to describe the company's objectives, projections estimates, expectations and predictions may be considered to be "forward looking statements" and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied. Many factors including global and domestic demand-supply conditions, prices, raw materials availability, technological changes, changes in Government policies, tax laws and other statues may affect the actual results, which could be different from what the Directors' envisage in terms of future performance and out look.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

Social Responsibility:

Super Tannery Limited (STL) believes in total commitment to society. The promoters of the company run an organization known as AMIN WELFARE TRUST (AWT) which follows the motto of "Promoting Hope in Life." This trust has taken up number of social causes in the field of EDUCATION & HEALTHCARE.

STL nurtures relationships across the entire range of stakeholders, which has the Company understand pertinent issues, develop businesses, enhance shareholder value and manage risks better. It is the relationship, trust and commitment to stake holder's interest and the warm reciprocal of the same by the stakeholders that make STL robust, resilient and sustainable. STL actively integrates shareholder goals with its own and then pursues them collaboratively.

STL's commitment towards excellence in Health, Safety and Environment Performance is one of the company's core values. The company is unwavering and its policy of, "safety of persons overrides all production targets", which drives all employees to continuously break new grounds in safety management for the benefit of the people, property, environment and the communities in which STL operates. This is the Company's responsibility as a global corporate citizen. The 'pursuit to achieve world class operational excellence' has been the key focus of the Company.

Healthcare:

AWT operates a hospital known as **Chaudhry Ehsan Kareem Hospital**, well equipped with the most modern machinery and infrastructure, in the industrial area of Jajmau, Kanpur City, providing healthcare facilities in a number of fields including Neurology, Vision, Endocrinology, Dentistry and Pre/Post Maternal Care.

STL has a program an initiative to promote healthy workplaces and reduce health and safety risks, has been instrumental in creating a culture of implementing health, safety and environment project on priority basis.

This performance has also helped the Company to improve its performance on the occupational health and safety front.

Education:

On 26th January 2010, AWT launched a state of art educational institution namely **Super International School** with the aim to provide world class education at affordable cost to the middle income group. The school is affiliated with the C.B.S.E board and is equipped with the latest infrastructure required for a healthy and constructive approach to education. To know more, please visit www.superinternationalschool.com

Environment

When the leather industry enough developed, the pollution of air and water increased and the stage reached where scientists started thinking on making better use or reuse of material which caused pollution keeping in mind the economical factor else no industrialist would accept the change.

Special emphasis has been laid on use of low waste technology with minimum possible expenditure and maximum quality production because it is natural for any industrialists to resist a change unless it is likely to give better quality production with least expenditure. Pollution is given the last priority by them whereas we give it the first priority.

At STL we are very much cautious about pollution. We have our own water treatment and chrome recovery plant in which we collect the drain water full of nickel, chromium and many more harmful substances. Our deep interest is in green and clean environment. The chrome is used in the processing of hides & skins in which 65% is consumed during the process while 35% goes waste. The presence of chrome in the discharged water of tanneries is hazardous for public health as its excessive use can cause severe skin diseases. To minimize the danger we have water treatment plant to purify water to its maximum possible level. We believe to contribute in safe and healthy environment. STL is an eco friendly tannery.

Health, Safety & Environment

We at STL are committed to provide a safe and healthy working environment for our employees by adopting a proactive approach. It is part of our work ethic to ensure that safety, health and environment safeguards are in place right from the inception to the execution stage. We accept the need for constant up gradation of safety & health standards commensurate with the rapid changing technology in production.

Form No. MGT-9**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	L19131UP1984PLC006421
ii)	Registration Date:-	6 TH FEB.1984
iii)	Name of the Company:	SUPER TANNERY LIMITED
iv)	Category / Sub-Category of the Company:	Company Limited by shares
v)	Address of the Registered office and contact details	187/170,Jajmau Road Kanpur-208010 Ph. 7522000370, 371, 372
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent:	Karvy Computershare Pvt. Ltd. Karvy selenium Towers B,Plot No 31,32,Gachibowli Financial District,Nanakramguda, Hyderabad-500032 A.P.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the product/ service	% to total turnover of the company
1	Finished Leather, Leather	2990	61
2	Shoes, Shoes Components & Others	2912	39

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY ASSOCIATE	% of shares held	Applicable Section
1	Super Corporation Ltd. D-403, White House Defence	U19112UP2013PL C061542	Subsidiary	52	129
2	Aarifi Tanners Ltd. Colony, Jajmau 187/170 Jajmau Kanpur	U19112UP1996P LC019255	Subsidiary	82.52	129
3	Super Tannery U.K. Limited	N.A	Subsidiary	100	129
4	Super Italia S.R.L.	N.A	Subsidiary	100	129
5	Super Tannery UAE FZE	N.A	Subsidiary	100	129

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1st April 2017				No. of Shares held at the end of the year 31.03.2018				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	636346143	Nil	63461434	58.78	63461434	Nil	63461434	58.78	Nil
(1) Indian									
g) Individual/ HUF									
h) Central Govt									
i) State Govt (s)									
j) Bodies Corp.									
k) Banks / FI									
l) Any Other....									
Sub-total (A) (1):-									
(2) Foreign									
	63461434	Nil	63461434	58.78	63461434	Nil	63461434	58.78	Nil

a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	63461434	Nil	63461434	58.78	63461434		63461434	58.78	Nil

SUPER TANNERY LIMITED

B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)	Nil	3000	3000	00	Nil	3000	3000	00	Nil
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital									
Funds i) Others (specify)									
Sub-total (B)(1):-	Nil	3000	3000	00	Nil	3000	3000	00	00
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	4047180	2814000	6861180	6.35	2805000	1029316	3834316	3.55	2.80
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	16199934	10854300	27054234	25.06	18434583	6986050	25420633	23.54	1.52
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh									
c) Others (specify)									
Sub-total (B)(2):-	9956916	Nil	9956916	9.22	10906192	Nil	10906192	10.10	0.80
Total Public Shareholding B)=(B)(1)+ (B)(2)	636486	110	636596	0.59	4347785	nil	4347785	4.03	3.44
					98179310		107973360		
C. Shares held by Custodian for GDRs & ADRs	00	00	00	00	00	00	00	00	00
Grand Total (A+B+C)	94301950	13671410	107973360	100	98179310	9794050	107973360	100	00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Share holding at the end of the year 31.03.2018			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	VEQARUL	17883900	16.56	7.09	17883900	16.56	7.09	00
2	QBAL AHSAN	9142502	8.47	8.47	9142502	8.47	8.47	00
3	IFTIKHARUL	9080432	8.41	8.41	9080432	8.41	8.41	00
4.	MUBASHIRUL	4590000	4.25	00	4590000	4.25	00	00
5	UMAIRUL AMIN	4590000	4.25	00	4590000	4.25	00	00
6	TANVEERUL	4500000	4.17	00	4500000	4.17	00	00
7	FARHA FATIMA	4500000	4.17	00	4500000	4.17	00	00
8	SOPHIA AMIN	3458400	3.20	3.05	3458400	3.20	3.05	00
9	ISMAT IQBAL	3082800	2.86	2.86	3082800	2.86	2.86	00
10	RUMANA AMIN	2633400	2.44	00	2633400	2.44	00	00
	Total	63461434	58.78	29.87	63461434	58.78	29.87	00

(iii) Change in Promoters' Shareholding (please specify, if there is no change) There is no change in Promoters, shareholding during the year.

Sl. No.		Shareholding at the beginning of the year. 1.04.2017		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No Change	No Change	No Change	No Change
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
	At the End of the year	No Change	No Change	No Change	No Change

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Kishore Kumar Patni	1770000	1.64	1535160	1.42
2.	Renu Devi Patni	1200000	1.11	1379699	1.28
3.	Mahendra Girdharilal	1077320	1.00	909881	0.85
4.	Shabbier Nazmuddin Parath	433833	0.40	433833	0.40
5.	CRB Capital Markets Ltd.	2754000	2.55	2754000	2.55
6.	Subramanianp	1358890	1.26	1358890	1.26
7.	Gaurav Sawhney	435700	0.40	441269	0.41
8.	Naresh Jain	377331	0.35	377331	0.35
9.	Gaurav Sawhney	408965	0.38	408965	0.38
10	Updesh Kumar Kaushal	350010	0.32	223310	0.21
	At the end of the year	As above	As above	As above	As above
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	150	00	150	00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	As above	As above	As above	As above

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment in lacs.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year		00	00	00
i) Principal Amount				
ii) Interest due but not paid	7428.70			
iii) Interest accrued but not due	1.17			
Total (i+ii+iii)	7429.87	00	00	00
Change in Indebtedness during the financial year				
· Addition	471.87			
· Reduction	14.52			
Net Change	457.35	00	00	00
Indebtedness at the end of the financial year Principal Amount				
ii) Interest due but not paid	7886.00			
iii) Interest accrued but not due	1.22			
Total (i+ii+iii)	7887.22	00	00	00

SUPER TANNERY LIMITED
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager						Total Amount
		Iftikharul Amin, MD	Iqbal Ahsan	Veqarul Amin	Imran Siddiqui	Mohd. Imran	Arshad Khan	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961							
2.	Stock Option							
3.	Sweat Equity							
4.	Commission - as % of profit - others,							
5.	Others, please specify							
	Total (A)	2657600	2657600	2657600	757500	458700	458700	9647700
	Ceiling as per the Act	NA	NA	NA	NA	NA	NA	NA

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil				
	Total (1)	Nil	Nil	Nil	Nil	
	4. Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	00	00	00	
3.	Sweat Equity	00	00		
4.	Commission - as % of profit - others, specify...	00	00		
5.	Others, please specify	00	00		
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY N.A					
Penalty					
Punishment					
Compounding					
B. DIRECTORS N.A					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT N.A					
Penalty					
Punishment					
Compounding					

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
SUPER TANNERY Limited
187/170, JAJAMU KANPUR
UTTAR PRADESH.

We were appointed by the Board of Directors of the Super Tannery Limited (hereinafter called the Company) to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2018.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Super Tannery Limited.(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification, the Super Tannery Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 Complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute, books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2018 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder:
- (ii) The Securities contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder:
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings :
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulation, 2011:
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 :
 - (c) The securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009
-Not applicable to the Company for the year under review;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 : **Not applicable to the Company for the year under review;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008: **Not applicable to the Company for the year under review;**

-
-
- (f) The Securities and Exchange Board of India (Registrars to an Issue And Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing With client: **Not applicable to the Company for the year under review;**
- (g) The Securities and Exchange Board of India (Delisting of Equity Share) Regulations,2009: **Not applicable to the Company for the year under review;**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: **Not applicable to the Company for the year under review;**
- (vi) (Mention the other laws as may be applicable specifically to the Company) N.A we have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company is maintaining Minutes Book as per the norms, but not as Stated in the SS-1 and SS-2, the company has been suggested to comply the standard viz. numbering of Minutes Book, whether they are Board Minutes, Committee Minutes or General Body Minutes.
 - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited(hereinafter called as "Listing Agreement):

During the period the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. Mentioned above, to the extent applicable:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to convene the Board Meeting, agenda (detailed notes on agenda were sent, but sometime at least seven days in advance notice were not adhered), and a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes, it was found that most of the time it was unanimous but the name of proposer and seconder were given in the Minutes book.

We further report that

The adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines to the extent applicable.

We further report that

On the basis of the questionnaire provided to the Company, during the audit period, on the basis of reply received from the various departments, it was concluded that the company has complied with the following laws applicable to the Company.

For example:

- (i) Water (prevention and control of pollution) Act, 1974;
- (ii) Air (prevention and control of pollution) Act, 1981;
- (iii) Environment Protection Act, 1986;
- (iv) Factories Act, 1948;
- (v) Industrial Disputes Act, 1947;
- (vi) Payment of Wages Act, 1936;
- (vii) The Minimum Wages Act, 1948;
- (viii) Employees State Insurance Act, 1948;
- (ix) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (x) The Payment of Bonus Act, 1965;
- (xi) The Payment of Gratuity Act, 1972;
- (xii) The Sexual Harassment of Women at work place, (Prohibition and Redressal) Act, 2013.

Signature:

K.N. Shridha. & Associates

Name of Company Secretary in Practice/Firm:

FCS No. C P No: 2612

Date : 11.08.2018

Place: Kanpur

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/associate Companies/ Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. In Lacs)

Sl.	Particulars	STL U.K. LTD.	AARIFI TANNERS LTD.	SUPER CORPORATION LTD.	SUPER ITALIA SRL	SUPER TANNERY UAE FZE
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP	INR	INR	EURO	AED
3.	Share Capital	Rs. 1.52	Rs.146.07	Rs. 5.00	Rs. 0.75	Rs. 30.11
4.	Reserves & Surplus	Rs. (-) 569.25	Rs.(-)21.47	Rs. 0.12	Rs. (-) 0.63	Rs. 127.06
5.	Total Assets	Rs. 48.29	Rs.137.93	Rs. 5.73	Rs. 6.29	Rs. 661.41
6.	Total Liabilities	Rs. 616.04	Rs.10.38	Rs. 0.60	NIL	Rs. 344.91
7.	Investments	NIL	Rs. 1.73	NIL	NIL	NIL
8.	Turnover	NIL	NIL	NIL	NIL	Rs. 1127.19
9.	Profit before Taxation	Rs.(-)134.32	Rs.(-)3.01	Rs. 0.09	Rs.(-)0.68	Rs. 94.35
10.	Provision for Taxation	NIL	NIL	NIL	NIL	NIL
11.	Profit after Taxation	Rs.(-)134.32	Rs.(-)3.01	Rs. 0.09	Rs.(-)0.68	Rs. 94.35
12.	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
13.	% of Shareholding	100%	82.52%	52%	100%	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl.	Name of Associates/Joint Ventures	Secure Safety Limited
1.	Latest audited Balance Sheet Date	31.03.2017
2.	Shares of Associate/Joint Ventures held by the company on the year end No.	6,99,300
3.	Amount of Investment in Associates/Joint Venture	Rs. 69,93,000
4.	Extend of Holding%	46.62%
5.	Description of how there is significant influence	No Influence
6.	Reason why the associate/joint venture is not consolidated	N.A.
7.	Net worth attributable to shareholding as per latest audited Balance Sheet	-
8.	Profit/Loss for the year	Rs.(-) 11,75,260
9.	Considered in Consolidation	Rs.(-) 5,47,906
10.	Not Considered in Consolidation	Rs.(-) 6,27,354

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

The Details has been given under the head notes to financial statements on point no 37 -B

For and on behalf of the Board of Directors of

Iftikharul Amin
M.D

Mohd.Imran
Director Finance &CFO

R.K.Awasthi
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Super Tannery Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Super Tannery Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with relevant Rules issued there under.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs of the Company as at March 31, 2018 and its profit, total comprehensive income, cash flows and the change in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note no. 34 to the accompanying Ind As financial statements regarding restatement of financial statements of earlier periods pursuant to the scheme of Arrangement resulting in demerger of the

Goat Tannery Business undertaking of the company with effect from the appointed date being April 01, 2017 as approved by the National Company Law Tribunal (NCLT) vide Order dated 27th December, 2017. Our opinion on the standalone Ind AS financial statement is not modified in respect of these matters.

Other Matters

The comparative financial information of the company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these standalone Ind AS financial statements are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standard) Rules, 2006 as amended, audited by erstwhile statutory auditors whose report for the years ended 31st March, 2016 and 31st March, 2017 expressed an unmodified opinion on those standalone financial statements vide report dated May 30, 2016 and May 30, 2017 respectively, and have been restated to comply with Ind AS. The adjustments to those previously issued said financial information to comply with Ind AS have been audited by us.

Our opinion on the standalone Ind AS financial statement is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. we have sought and 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of change in equity dealt with by this Report are in agreement with the relevant books of account;
 - d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under;
 - e. on the basis of the written representations received from the directors as of March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note no. 33 to the standalone Ind AS financial statements;
 - ii. In our opinion and as per the information and explanations provided to us, the company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C

(Rajeev Kapoor)
Partner
M. No. 077827

Place: Kanpur
Date: May 30, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date on the standalone Ind AS financial statements for the financial year ended March 31, 2018 of **Super Tannery Limited**)

In terms of the information and explanations given to us and also on the basis of such checks as we considered appropriate, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
- (c) The Company owns immovable properties. Certain immovable properties of erstwhile Super Agro-Tech Limited (SATL) acquired pursuant to the scheme of amalgamation sanctioned by Hon'ble High Court of Judicature at Allahabad, included in the books of the company remain in the name of SATL pending completion of the certain formalities. Further, to aforesaid certain land at Banthar, Unnao though used for the business purposes of the company is lying registered in the name of one of director of the company.
- (ii) The inventories of the Company have been physically verified by the management at regular interval during the year. In our opinion, the frequency of verification is reasonable. As explained to us, the discrepancies noticed on verification were not material in relation to the operations of the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 (the Act) excepting interest free unsecured demand loan granted in earlier years to two Wholly Owned Subsidiaries incorporated outside India.
 - (a) The terms and conditions of such loan/advance are, prima facie, not prejudicial to the company's interest.
 - (b) As the loans are in the nature of demand loan, no schedule of repayment of principal and payment of interest have been specified.
 - (c) There is no overdue in respect of such loans and interest thereon as no demand has been raised by the company.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposit during the year within the meaning of Section 73 to Section 76 of the Companies Act, 2013 (the Act) read with the Rules framed there under. Hence, paragraph 3(v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act. Accordingly reporting under clause (vi) of paragraph 3 of the Order is not applicable.
- (vii) (a) According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax (GST), Cess and other material statutory dues as applicable with the appropriate authorities and no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at March 31, 2018 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and GST which have not been deposited on account of any dispute, except mentioned as below:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount* (Rs. In Lacs)
The Income Tax Act, 1961	Demand on assessment	High Court, Allahabad	A.Y. 2007-08	30.54
		Income Tax Appellate Tribunal, Lucknow Bench	A.Y. 2014-15	12.50
Finance Act, 1994	Service Tax	Asst. Commissioner Service Tax, Kanpur	2014-15	3.80

* Demand net of amount paid under protest

- (viii) The company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders during the year.
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, the term loans have been applied for the purposes for which they were raised.
- (x) Based on the audit procedures performed and according to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, the managerial remuneration paid or provided by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The company is not a "Nidhi Company"; hence paragraph 3(xii) the Order is not applicable.
- (xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, paragraph 3(xiv) the Order is not applicable.
- (xv) In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) the Order is not applicable.
- (xvi) In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C

Place: Kanpur
Date: May 30, 2018

(Rajeev Kapoor)
Partner
M. No. 077827

ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) of our report of even date on the standalone Ind AS financial statements for the financial year ended March 31, 2018 of **Super Tannery Limited**)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Super Tannery Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Rajeev Prem & Associates,**
Chartered Accountants
Firm Registration No. 008905C

Place: Kanpur
Date: May 30, 2018

(Rajeev Kapoor)
Partner
M. No. 077827

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Super Tannery Limited

We have examined the compliance of conditions of corporate governance by Super Tannery Limited ("the Company"), for the year ended on March 31, 2018, as stipulated in regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's responsibility

The compliance of conditions of corporate governance is the responsibility of management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations.

Auditors' responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither audit nor expression of opinion on the financial statements of the Company.

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with corporate governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanation provided to us and representations provided by management, we certify that the Company has complied with the conditions of corporate governance as specified in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations, as applicable during the year ended March 31, 2018.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Rajeev Prem & Associates**,
Chartered Accountants
Firm Registration No. 008905C

Place: Kanpur
Date: May 30, 2018

(Rajeev Kapoor)
Partner
M. No. 077827

Super Tannery Limited

Standalone Balance sheet as at March 31, 2018

Particulars	Note No.	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
ASSETS							
Non-current assets							
(a) Property, Plant and Equipment	2		5,255.17		5,393.53		6,658.62
(b) Capital work-in-progress			266.81		168.32		142.08
(c) Other Intangible assets	2		4.19		4.40		4.60
(d) Financial Assets							
(i) Investments	3	289.30		287.72		290.62	
(ii) Loans	4	167.46	456.76	127.09	414.81	138.56	429.18
(e) Other non-current assets	5		24.76		24.76		38.24
Current Assets							
(a) Inventories	6		7,177.73		8,254.61		9,818.70
(b) Financial Assets							
(i) Trade receivables	7	5,594.07		4,000.59		5,160.45	
(ii) Cash and cash equivalents	8	92.79		369.11		421.25	
(iii) Bank Balances other than (iii) above	9	209.63		187.44		163.15	
(iv) Other Financial Assets	10	1,333.90	7,230.39	591.25	5,148.39	808.31	6,553.16
(c) Current Tax Assets (Net)			100.50		51.41		0.90
(d) Other current assets	11		992.86		824.99		1,180.01
TOTAL ASSETS			<u>21,509.17</u>		<u>20,285.22</u>		<u>24,825.49</u>
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity Share Capital	12	1,079.73		1,079.73		1,079.73	
(b) Other Equity	13	6,465.25		6,045.92		6,802.65	
			7,544.98		7,125.65		7,882.38
LIABILITIES							
Non current liabilities							
(a) Financial liabilities							
(i) Borrowings	14		59.73		36.25		266.62
(b) Deferred tax liabilities (net)	15		652.41		629.50		623.76
(c) Other non-current liabilities	16		302.76		125.95		139.97
Current liabilities							
(a) Financial liabilities							
(i) Short term borrowings	17	7,826.27		7,392.46		10,233.41	
(ii) Trade payables	18	3,120.17		2,984.23		3,644.21	
(iii) Other financial liabilities	19	928.70	11,875.14	1,067.24	11,443.93	1,225.06	15,102.68
(b) Other current liabilities	20		967.87		850.50		699.82
(c) Provisions	21		106.28		73.44		110.26
TOTAL EQUITY AND LIABILITIES			<u>21,509.17</u>		<u>20,285.22</u>		<u>24,825.49</u>

Significant Accounting Policies **1**
See accompanying notes to the standalone financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

Mohd Imran
Director(Finance)

Iftikharul Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

R. K. Awasthi
Company Secretary

Place: Kanpur
Date: May 30, 2018

Super Tannery Limited

Standalone Statement of profit and loss for the year ended March 31, 2018

Particulars	Note No.	2017 - 18		2016 - 17	
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
INCOME:					
Revenue from Operations	22		23,497.62		19,938.79
Other income	23		194.87		215.70
Total Income			23,692.49		20,154.49
EXPENSE:					
Cost of materials consumed	24		15,003.10		13,518.08
Purchase of stock-in-trade	25		1,351.90		648.01
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26		914.79		(347.59)
Employee Benefits Expenses	27		862.74		867.90
Finance costs	28		599.21		705.44
Depreciation and Amortization Expenses	29		569.93		581.38
Other Expenses	30		3,771.12		3,731.96
Total Expenses			23,072.79		19,705.18
Profit before Exceptional items and Tax			619.70		449.31
Exceptional Items					
Profit before Tax			619.70		449.31
Tax expense:					
1. Current Tax		220.00		225.00	
2. Deferred Tax		16.20		4.60	
3. Tax adjustment relating to earlier years		(23.16)		(25.41)	
Profit for the period			406.66		245.12
Other comprehensive income					
(i) Items that will not be reclassified to profit or loss					
(a) Re-measurements of the defined benefit plans		19.38		3.28	
(ii) Income tax related to items that will not be reclassified to profit or loss		6.71	12.67	1.14	2.14
Total comprehensive income for the period			419.33		247.26
Earnings per equity share	31				
(Face Value per Share Rs. 1/-)					
1. Basic			0.38		0.23
2. Diluted			0.38		0.23

Significant Accounting Policies

See accompanying notes to the standalone financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

Mohd Imran
Director(Finance)

Iftikharul Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

R. K. Awasthi
Company Secretary

Place: Kanpur
Date: May 30, 2018

Super Tannery Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital

Particulars	2017 - 18		2016 - 17	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Issued, Subscribed and fully paid-up Equity shares outstanding at the beginning of the year	107,973,360	1,079.73	107,973,360	1,079.73
Shares issued during the year	-	-	-	-
Issued, Subscribed and fully paid-up Equity shares outstanding at the end of the year	107,973,360	1,079.73	107,973,360	1,079.73
Total	107,973,360	1,079.73	107,973,360	1,079.73

B. Other Equity

Particulars	Reserves and Surplus				OCI - Other	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance as at April 01, 2016	17.67	270.18	5,700.00	814.80	-	6,802.65
Profit for the year				245.12		245.12
Other Comprehensive Income				2.14		2.14
Other Adjustments				132.80		132.80
Reserve transferred pursuant to the scheme of amalgamation (Refer Note 34)			(1,136.79)			(1,136.79)
Balance as at March 31, 2017	17.67	270.18	4,563.21	1,194.86	-	6,045.92
Profit for the year				406.66		406.66
Other Comprehensive Income				12.67		12.67
Balance as at March 31, 2018	17.67	270.18	4,563.21	1,614.19	-	6,465.25

Significant Accounting Policies

1

See accompanying notes to the standalone financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

Mohd Imran
Director(Finance)

Iftikharul Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

R. K. Awasthi
Company Secretary

Place: Kanpur
Date: May 30, 2018

SUPER TANNERY LIMITED

Super Tannery Limited

Standalone Statement of Cash Flows for the year ended March 31, 2018

Particulars	Note No.	2017 - 18 Rs. in Lacs	2016 - 17 Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax		619.70	449.31
Adjustments for :			
Depreciation/ Amortisation		569.93	581.38
Profit on Sale of Property, Plant & Equipments		(116.80)	(16.69)
Loss on Sale of Property, Plant & Equipments		2.92	5.00
Investments written off		4.65	-
Interest income		(15.69)	(7.34)
Finance Cost		503.94	705.44
Deferral of income on government grant		(33.38)	(17.36)
Remeasurement of net defined benefit plans		(19.38)	(3.28)
Derivatives MtoM Provision		23.66	-
Operating profit before working capital changes		1,539.55	1,696.46
Changes in working capital:			
(Increase)/ Decrease in trade receivables		(1,593.48)	1,159.86
(Increase)/ Decrease in inventories		1,076.88	1,564.09
(Increase)/ Decrease in other non current loan		(40.37)	11.47
(Increase)/ Decrease in other current financial assets		(742.65)	217.06
(Increase)/ Decrease in other current assets		(167.87)	355.02
Adjustment for increase/(decrease) in operating liabilities			
Increase/ (Decrease) in trade payables		135.94	(659.98)
Increase/ (Decrease) in other financial liabilities		107.19	(16.58)
Increase/ (Decrease) in other current liabilities		117.37	150.68
Increase/ (Decrease) in Provisions		32.84	(36.82)
Cash generated from operations		465.40	4,441.26
Income taxes refunded / (paid), net		(245.93)	(250.10)
Net cash generated from operating activities		219.47	4,191.16
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(484.05)	(605.30)
Proceeds from sale of property, plant and equipment		151.71	294.05
Purchase of non-current investments		(6.23)	2.90
Interest received		15.69	7.34
Other bank balances (Margin Money)		(22.19)	(24.29)
Net cash (used in) / generated from investing activities		(345.07)	(325.30)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/(repayment) from/of short-term loans		433.81	(2,840.95)
Repayment of long-term loans		(49.27)	(371.61)
Finance costs paid		(503.94)	(705.44)
Net cash used in financing activities		(119.40)	(3,918.00)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(245.00)	(52.14)
Cash and cash equivalents at the beginning of the year		369.11	421.25
Cash & Cash Equivalent transferred pursuant to Scheme (refer Note 34)		(31.32)	-
Cash and cash equivalents at the end of the year		92.79	369.11
(refer Note No. 8 for break-up)			

Significant Accounting Policies

1

See accompanying notes to the standalone financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

Mohd Imran
Director(Finance)

Iftikharul Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

R. K. Awasthi
Company Secretary

Place: Kanpur

Date: May 30, 2018

Super Tannery Limited**Notes forming part of standalone financial statement for the year ended March 31, 2018**

Note 1:**A. CORPORATE INFORMATION**

Super Tannery Limited ("The Company") is a public limited company having its registered office situated at 167/170, Jajmau Road, Kanpur – 208010 (UP).

The Company's equity shares are listed at the Bombay Stock Exchange (BSE).

The principal activities of the Company are manufacturing and exports of Leather and Leather Goods.

The financial statements were approved for issue in accordance with a resolution of the directors on May 30, 2018.

B. SIGNIFICANT ACCOUNTING POLICIES**1. Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

Up to the year ended March 31, 2017, the Company has prepared the financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act.

These are the Company's first Ind AS financial statements. The date of transition to the Ind AS is April 1, 2016. Refer Note no. 37 for details of first-time adoption exceptions and exemptions availed by the Company.

2. Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans - plan assets

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

4. Company's financial statements are presented in Indian Rupees, which is also its functional currency.**5. The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.****6. Revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.****7. Property, plant and equipment (PPE)**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1st April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Expenses incurred relating to project, including borrowing cost and net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work - in - Progress.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

8. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1st April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is

derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

9. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on such cost of assets less their residual values on straight line method on the basis of estimated useful life of assets as prescribed in Schedule II of the Act.

Freehold land is not depreciated/amortised.

Assets held under financial leases are depreciated over their expected useful lives on the same basis as owned assets or, wherever shorter, the term of relevant lease.

Depreciation is calculated on a pro rata basis except that, assets costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

10. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets being computer software is amortised on straight line method over the period of five years.

The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

11. Impairment of tangible and intangible assets other than goodwill

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

12. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

13. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

(a) Raw materials, Chemicals, Components, stores & spares and Stock in Trade – Cost includes cost of purchase (Net of recoverable

taxes) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

(b) Stock in process and finished goods- Direct cost plus appropriate share of overheads.

(c) Saleable Scrap/Waste/By products - At estimated realisable value.

(d) Inter unit goods transfer – transfer price

(e) Import Entitlement / Licences – At estimated realisable/Utilisation value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

14. Foreign Currencies

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR/Rupees), which is the Company's functional and presentation currency.

b) Transaction and balances

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

(i) Exchange differences pertaining to long term foreign currency loans obtained on or before March 31, 2017:

(a) relating to acquisition of depreciable assets - are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.

(b) Others - carried forward and amortised over the remaining period of such asset or liability since the company had opted to carry forward the same in accordance with the Companies (Accounting Standards) Amendment Rules, 2011.

(ii) Exchange differences pertaining to long term foreign currency loans obtained on or after April 1, 2017 is charged off or credited to profit & loss account.

(iii) Investment in overseas Wholly Owned Subsidiaries are carried in Balance Sheet at the rates prevailing on the dates of transaction.

15. Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are carried at cost less accumulated impairment, if any.

16. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

17. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortised cost

SUPER TANNERY LIMITED

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instruments at Fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

18. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

19. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

SUPER TANNERY LIMITED

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective Interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

20. Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

21. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

22. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

23. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

24. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

25. Provisions, Contingent liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of

income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

26. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in previous period(s). Such a grant is recognised in profit or loss of the period in which it becomes receivable.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets or other relevant basis.

Government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

27. Revenue Recognition**Sale of Goods and services**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns, rebates and discounts to customers.

Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales Tax/ value added tax/Goods & Services Tax.

Revenue from the sale of goods is recognised when (a) significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery in case of domestic sales and on issuance of Shipping Bill in case of export sales, (b) the amount of revenue can be measured reliably and (c) recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

Interest Income

Interest income is accrued on using on a time basis by the effective interest rate with reference to the principal outstanding.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Export Incentives

Export Incentives are recognised when certainty of receipt is established.

Insurance Claim

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain and in such cases it is accounted for on receipt basis.

28. Employee benefits

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through/by duly constituted and approved Trusts and the Government.

Defined Contribution Scheme

In case of provident fund administered through Regional Provident Fund Commissioner, the Company has no obligation, other than the contribution payable to the provident fund.

In case of members of constituted and approved trusts, the Company recognises contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India.

The Company's contributions paid / payable during the year to provident fund administered through Approved Trust, Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions.

Defined Benefit Scheme

Gratuity: Cost of providing the Benefit is determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined by independent actuary using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment: Accrued Leaves are encashed annually at the end of the calendar year and not accumulated. Provision for the same is done on the basis of leaves accrued as at the end of the reporting period.

29. Research and Development Expenditure

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as fixed assets.

30. Taxes on Income

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible

temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

31. Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

32. Cash Flow Statement

Cash flows statement is prepared as per the Indirect Method specified in Ind AS 7 on Cash Flows. Cash and cash equivalents (including bank balances) shown in statement of cash flows exclude item which are not available for general use on the date of balance sheet.

33. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

34. Segment Reporting

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the Company.

Super Tannery Limited
Notes forming part of the standalone financial statements for the year ended March 31, 2018

Particulars	Land Freehold	Land Leasehold	Factory building	Plant & Equipment	Electric Installation & Fittings	Computers	Office Equipments	Furniture & Fixtures	Vehicle	Total	(Rs. In lacs)
Gross carrying value											
Deemed Cost as at April 1, 2016*	229.11	64.27	1,479.03	4,007.08	159.12	25.74	40.57	108.93	544.77	6,658.62	
Additions	-	-	30.79	469.32	24.99	5.01	7.16	16.20	25.59	579.06	
Deletions	-	-	-0.86	-15.56	-	-	-	-	-167.17	-183.59	
Transferred pursuant to the Scheme of arrangement*	-	-64.27	-308.82	-640.24	-23.14	-0.38	-7.21	-28.17	-33.21	-1105.44	
Ind AS adjustments	-	-	-	13.30	-	-	-	-	-	13.30	
As at March 31, 2017	229.11	0.00	1,200.14	3,833.90	160.97	30.37	40.52	96.96	369.98	5,961.95	
Additions	-	-	-	264.66	14.10	5.14	8.05	15.43	78.18	385.56	
Deletions	-	-	-	51.56	-	-	-	-	-11.37	40.19	
Ind AS adjustments	-	-	-	3.25	-	-	-	-	-	3.25	
As at March 31, 2018	229.11	0.00	1,200.14	4,153.37	175.07	35.51	48.57	112.39	436.79	6,390.95	
Accumulated Depreciation											
As at April 1, 2016*	-	-	-	-	-	-	-	-	-	-	
Additions	-	-	50.53	379.00	28.47	14.89	9.11	12.35	86.59	580.94	
Deletions	-	-	-	-	-	-	-	-	-12.76	-12.76	
Ind AS adjustments	-	-	-	0.24	-	-	-	-	-	0.24	
As at March 31, 2017	-	-	50.53	379.24	28.47	14.89	9.11	12.35	73.83	568.42	
Additions	-	-	51.21	386.75	26.57	12.31	9.75	13.18	69.01	568.78	
Deletions	-	-	-	-	-	-	-	-	-2.36	-2.36	
Ind AS adjustments	-	-	-	0.94	-	-	-	-	-	0.94	
As at March 31, 2018	-	-	101.74	766.93	55.04	27.20	18.86	25.53	140.48	1,135.78	
Net Carrying amount											
As at April 1, 2016*	229.11	64.27	1,479.03	4,007.08	159.12	25.74	40.57	108.93	544.77	6,658.62	
As at March 31, 2017	229.11	0.00	1,149.61	3,454.66	132.50	15.48	31.41	84.61	296.15	5,393.53	
As at March 31, 2018	229.11	-	1,098.40	3,386.44	120.03	8.31	29.71	86.86	296.31	5,255.17	

*At deemed cost as per IND-AS 101. Refer Note 38 for further details.

(I) Assets given as security for borrowings

All the items of Property, Plant and Equipment of the Company have been given to lenders as security for various borrowing facilities.

(ii) The Company has adopted carrying value as recognized in the financial statement as at March 31, 2016, measured as per Previous GAAP as its deemed cost. Accordingly, its Net Block as on March 31, 2016 is its Gross Block under Ind AS.

Break up of the said Gross block as at April 1, 2016 is as under: (Rs. In lacs)

Particulars	Gross Block	Accumulated Depreciation / Amortization/ Ind AS Adjustment	Net Block
Freehold land	229.11	-	229.11
Leasehold land	73.59	9.32	64.27
Factory building	2,139.11	660.08	1,479.03
Plant & Equipment	7,923.85	3,916.77	4,007.08
Electric Installation & Fittings	474.73	315.61	159.12
Computer	139.35	113.61	25.74
Office equipment	120.03	79.46	40.57
Furniture & Fixtures	207.92	98.99	108.93
Vehicle	867.74	322.97	544.77
	12175.43	5516.81	6658.62

Super Tannery Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2018

Other Intangible assets

Particulars	Computer Software	Website Development	Trademark	TOTAL
	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
Gross carrying value				
Deemed Cost as at April 1, 2016*	2.78	0.41	1.41	4.60
Additions	-	-	-	-
Deletions	-	-	-	-
Ind AS adjustments	-	-	-	-
As at March 31, 2017	2.78	0.41	1.41	4.60
Additions				-
Deletions				-
Ind AS adjustments				-
As at March 31, 2018	2.78	0.41	1.41	4.60
Accumulated Depreciation				-
As at 1st April, 2016*				-
Additions	-	0.05	0.15	0.20
Deletions				-
Ind AS adjustments				-
As at March 31, 2017	-	0.05	0.15	0.20
Additions	0.00	0.05	0.16	0.21
Deletions				-
Ind AS adjustments				-
As at March 31, 2018	-	0.10	0.31	0.41
Net Carrying amount				
As at April 1, 2016*	2.78	0.41	1.41	4.60
As at March 31, 2017	2.78	0.36	1.26	4.40
As at March 31, 2018	2.78	0.31	1.10	4.19

The Company has adopted carrying value as recognized in the financial statement as at 31st March, 2016, measured as per Previous GAAP as its deemed cost. Accordingly, its Net Block as on March 31, 2016 is its Gross Block under Ind AS

Break up of the said Gross block as at April 1, 2016 is as under: (Rs. In lacs)

Particulars	Gross Block	Accumulat ed Depreciatio n / Amortizatio n/ Ind AS Adjustment	Net Block
As at April 1, 2016			
Computer Software	12.28	9.50	2.78
Website Development	0.51	0.10	0.41
Trademark	1.61	0.20	1.41
	14.40	9.80	4.60

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

3 Financial Assets: Investments - Non Current

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Equity Shares Unquoted						
A. INVESTMENT IN SUBSIDIARIES						
(i) SUPER TANNERY (U.K.) LIMITED						
Ordinary Shares of GBP 1 each fully paid up	2,100	1.52	2,100	1.52	2,100	1.52
(ii) AARIFI TANNERS LIMITED						
Equity Shares of Rs. 10/- each fully paid up	1,205,366	164.24	1,205,366	164.24	1,205,366	164.24
(iii) SUPER CORPORATION LIMITED						
Equity Shares of Rs. 10/- each fully paid up	26,000	2.60	26,000	2.60	26,000	2.60
(iv) SAFETY SOLUTIONS S.R.O.						
Ordinary Shares of Euro 1/- each fully paid up	-	-	6,638	4.65	6,638	4.65
(v) SUPER TANNERY (UAE) LTD						
Ordinary Shares of DHM 10/- each fully paid up	15,000	30.11	15,000	30.11	15,000	30.11
(vi) Super Italia SRL						
Ordinary Shares of Euro 1/- each fully paid up	990	0.75	990	0.75	-	-
Total - A		<u>199.22</u>		<u>203.87</u>		<u>203.12</u>
B. INVESTMENT IN ASSOCIATES						
(i) SECURE SAFETY LIMITED						
Equity Shares of Rs. 10/- each fully paid up	699,300	69.93	699,300	69.93	699,300	69.93
Total - B		<u>69.93</u>		<u>69.93</u>		<u>69.93</u>
C. OTHERS						
(i) SUPERHOUSE OVERSEAS LIMITED						
Equity Shares of Rs. 10/- each fully paid	5,000	0.50	5,000	0.50	5,000	0.50
(ii) AL-BARR FINANCE HOUSE LIMITED						
Equity Shares of Rs. 10/- each fully paid	20,000	2.00	20,000	2.00	30,000	3.00
(iii) SVIT PRONEXT MACHINES PRIVATE LIMITED						
Equity Shares of Rs. 10/- each fully paid	8,500	0.85	8,500	0.85	8,500	0.85
(iv) INDUSTRIAL INFRASTRUCTURE SERVICES (INDIA) LIMITED						
Equity Shares of Rs. 10/- each fully paid	8,000	0.80	8,000	0.80	35,365	3.54
(v) KANPUR UNNAO LEATHER CLUSTER DEVELOPMENT CO. LTD.						
Equity Shares of Rs. 10/- each fully paid	75,000	7.50	75,000	7.50	60,000	6.00
(vi) Banthar Industrial Pollution Control Company						
Equity Shares of Rs. 10/- each fully paid	-	-	-	-	21,600	2.16
(vi) LEATHER CLUSTER DEVELOPMENT						
Equity Shares of Rs. 10/- each fully paid	10,000	1.00	10,000	1.00	10,000	1.00
Total - C		<u>12.65</u>		<u>12.65</u>		<u>17.05</u>
D. INVESTMENT IN PARTNERSHIP/LLP FIRM						
(i) BOVINI FRILLS LLP						
15% in the capital of the LLP		0.75		0.75		-
Share of Reserves and Surplus of the LLP		6.23				
Total - D						
Equity Shares Quoted		<u>6.98</u>		<u>0.75</u>		<u>-</u>
(i) Superhouse Ltd.						
Equity Shares of Rs. 10/- each fully paid	5,200	0.52	5,200	0.52	5,200	0.52
Total - E		<u>0.52</u>		<u>0.52</u>		<u>0.52</u>
Total (A+B+C+D+E)		<u>289.30</u>		<u>287.72</u>		<u>290.62</u>
Aggregate Book Value of Quoted Investments		0.52		0.52		0.52
Market Value of Quoted Investments		6.64		7.47		7.20
Aggregate Book Value of Unquoted Investments		281.80		286.45		290.10

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

Details of Partners, Capital and Profit Sharing Ratio in LLP

Name of Partners	Profit Sharing Ratio	Rs. In Lacs		
		Capital as on 31.03.2018	Capital as on 31.03.2017	Capital as on 31.03.2016
1 Mr. Shahbhaz Khan	55%	2.75	2.75	-
2 Super Tannery Limited	15%	0.75	0.75	-
3 Mr. Iftikarul Amin	15%	0.75	0.75	-
4 Mr. Iqbal Ahsan	15%	0.75	0.75	-

4 Financial Assets: Loans - Non Current

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Loans and Advances (refer Note no. 48 for advance to Subsidiaries and associates)		167.46		127.09		138.56
		<u>167.46</u>		<u>127.09</u>		<u>138.56</u>

5 Other Non Current Assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Security Deposits		24.76		24.76		38.24
		<u>24.76</u>		<u>24.76</u>		<u>38.24</u>

6 Inventories (At cost or net realisable value whichever is lower)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Raw Materials		1,675.56		2,074.28		1,751.11
Work in Progress		2,672.18		2,774.71		4,530.27
Finished Goods		1,480.98		2,361.84		2,071.41
{include Stock at port Rs. NIL (March 2017: Rs 472.41 Lac and April 2016: Rs. 156.80 Lacs)}						
Chemical, Components and spare parts		1,099.92		863.29		1,381.14
Waste & Scrap		249.09		180.49		84.77
		<u>7,177.73</u>		<u>8,254.61</u>		<u>9,818.70</u>

(a) All the Inventories have been hypothecated as security for various working facilities from banks.

(b) During the year nothing was recognised as expense towards write-down of inventory.

7 Financial Assets - Current: Trade Receivable

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Unsecured						
Considered Good		5,594.07		4,000.59		5,160.45
Considered Doubtful (including Expected credit Loss)		<u>8.77</u>		-		-
		5,602.84		4,000.59		5,160.45
Less: Allowance for doubtful debts		8.77		-		-
		<u>5,594.07</u>		<u>4,000.59</u>		<u>5,160.45</u>

(a) All the Trade Receivables have been hypothecated as security for various working facilities from banks.

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

8 Financial Assets - Current: Cash and Cash Equivalents

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Balances with banks						
on current accounts	73.11		296.72		368.10	
on EEFC account	12.27		20.78		20.37	
		85.38		317.50		388.47
Cheques and Draft on Hand/Remittance in Transit		-		45.33		1.54
Cash on hand		7.41		6.28		31.24
		<u>92.79</u>		<u>369.11</u>		<u>421.25</u>

9 Financial Assets - Current: Bank Balances other than cash and cash equivalents

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Margin money deposits (restricted, held as lien against bank guarantees)		191.11		166.03		142.94
Earmarked balances with banks - unclaimed Dividend		18.52		21.41		20.21
		<u>209.63</u>		<u>187.44</u>		<u>163.15</u>

10 Other Current Financial Assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Export Incentive Receivable		334.01		373.12		575.73
Other Claims Receivable		72.80		90.35		115.69
Balance with Govt/Revenue authority		927.09		127.78		115.51
Assets held for sale		-		-		1.38
		<u>1,333.90</u>		<u>591.25</u>		<u>808.31</u>

11 Other Current Assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Advances to Trade Creditors		830.27		521.94		894.47
Advance recoverable in cash or kind or for value to be received		152.00		291.88		256.21
Prepaid expenses		10.59		11.17		29.33
		<u>992.86</u>		<u>824.99</u>		<u>1,180.01</u>

12 Equity Share Capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Authorised						
Equity Shares of Rupee 1/-each	<u>110,000,000</u>	<u>1,100.00</u>	<u>110,000,000</u>	<u>1,100.00</u>	<u>110,000,000</u>	<u>1,100.00</u>
Issued						
Equity Shares of Rupee 1/-each	<u>107,973,360</u>	<u>1,079.73</u>	<u>107,973,360</u>	<u>1,079.73</u>	<u>107,973,360</u>	<u>1,079.73</u>
Subscribed and fully paid-up						
Equity Shares of Rupee 1/-each	107,973,360	1,079.73	107,973,360	1,079.73	107,973,360	1,079.73
		<u>1,079.73</u>		<u>1,079.73</u>		<u>1,079.73</u>

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(A) Reconciliation of the number of equity shares and share capital

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
<i>Subscribed and fully paid-up equity shares</i>				
Outstanding at the beginning of the year	107,973,360	1,079.73	107,973,360	1,079.73
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>107,973,360</u>	<u>1,079.73</u>	<u>107,973,360</u>	<u>1,079.73</u>

(B) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining asset of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(C) Details of shareholders holding more than 5% shares in the company

Shareholder's Name	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
(a) Mr. Veqarul Amin	17,883,900	16.56%	17,883,900	16.56%	17,883,900	16.56%
(b) Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	8.47%	9,142,502	8.47%
(c) Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	8.41%	9,080,432	8.41%

	2017-18 (No. of Shares)	2016-17 (No. of Shares)
(D) Equity Shares allotted as fully paid pursuant to contract(s) without payment being	NIL	NIL
(E) Equity Shares allotted as fully paid up Bonus Shares during the immediately	NIL	NIL
(F) Equity shares buy-back in immediately preceding five years	NIL	NIL
(G) Shares held by holding/ultimate holding company and/or their subsidiaries/	NIL	NIL
(H) During the year ended March 31, 2018, the company has not paid any dividend.		

13 Other equity

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Capital Reserve		17.67		17.67		17.67
(b) Securities Premium		270.18		270.18		270.18
(c) General Reserve		4,563.21		4,563.21		5,700.00
(d) Retained Earnings		1,614.19		1,194.86		814.80
Total		<u>6,465.25</u>		<u>6,045.92</u>		<u>6,802.65</u>

(A) Capital Reserve

It represents the gain of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the company for business combination in earlier years.

(B) Securities Premium

Securities premium reserve is used to record the premium on issue of shares and is utilized in accordance with the provisions of the Act.

(C) General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

(D) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends paid or other distributions out of reserves to shareholders.

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

14 Financial Liabilities - Non-current: Borrowings

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Secured						
Term loans from banks - INR		-		-		175.07
Vehicle Term loans from banks - INR		59.73		36.25		91.55
		<u>59.73</u>		<u>36.25</u>		<u>266.62</u>

Repayment terms:

- Secured rupee term loans from banks: Structured quarterly Instalments
- The classification of loans between current liabilities and non-current liabilities continues based on repayment schedule under respective agreements as no loans have been recalled due to non compliance of conditions under any of the loan agreements.
- Interest rates: Loans availed from banks in INR carry interest rate ranging from 8.85% to 10.45% (March 31, 2017 9.50% to 10.45% and April 1, 2016 10.45% to 12.82%) for term loans.
- Scheduled repayments: Contractual repayments in case of loans from banks (including Current maturities disclosed under other Current financial

Particulars	As at March 31, 2018 Rs. in Lacs	As at March 31, 2017 Rs. in Lacs	As at April 01, 2016 Rs. in Lacs
Upto three years	71.39	147.41	519.02
Between three to five years	26.75	-	-
Over five years	-	-	-

Refer note 41(b) (II) & (III) on Interest rate risk and Liquidity Risk respectively.

Security details:-

Term Loan other than Vehicle Loans

Aforesaid Term Loans are secured by hypothecation/mortgage of company's moveable and im-moveable properties. Further secured by the personal guarantee of promoter Directors of the company.

Vehicle Loans

Secured by hypothecation of vehicle financed.

15 Deferred tax liabilities (Net)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<i>Tax effect of items constituting deferred tax liability</i>						
Borrowings measured at amortized cost						
On difference between book balance and tax balance of fixed assets		689.19		641.98		680.69
		<u>689.19</u>		<u>641.98</u>		<u>680.69</u>
<i>Tax effect of items constituting deferred tax assets</i>						
Provision for Gratuity		36.78		12.48		56.93
Others		-		-		-
Total Tax effect of items constituting deferred tax assets		<u>36.78</u>		<u>12.48</u>		<u>56.93</u>
Net Deferred Tax Liability		652.41		629.50		623.76

16 Other Non-current Liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Deferred Revenue						
Govt Grant under IDLS		296.16		122.60		139.97
EPCG Obligations		6.60		3.35		-
		<u>302.76</u>		<u>125.95</u>		<u>139.97</u>

- Government Grant under IDLS, the deferred grant income is recognized in Statement of Profit and Loss on a systematic basis over the useful life of asset on which such grant is received subject to compliance of other terms & conditions of the scheme.
- Under EPCG scheme, the Company is committed to export prescribed times of the duties saved on import of capital goods over a specified period of time apart from maintaining average export growth. In cases such commitments are not met, the Company would be required to pay the duties saved along with interest to the regulatory authorities. The deferred grant income is recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

17 Financial Liabilities - Current: Short term Borrowings

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Secured						
Working Capital Loan from banks						
(i) Cash Credit	388.57		200.02		708.52	
(ii) Packing Credit	6,319.55		6,185.32		8,267.38	
(iii) Advance against bills sent for collection	<u>912.12</u>	7,620.24	<u>743.40</u>		<u>982.15</u>	
				7,128.74		9,958.05
Buyers Credit (Foreign Currency Loan) from banks						
(a) for Fixed Asset		206.03		263.72		275.36
		<u>7,826.27</u>		<u>7,392.46</u>		<u>10,233.41</u>
Amount of default as on the Balance Sheet date:						
(a) Repayment of loan		NIL		NIL		NIL
(b) Interest on Loan		NIL		NIL		NIL

(A) Security

Working Capital Loans are primarily secured by hypothecation of present and future Current Assets and Actionable Claims (viz. Inventories, trade). These are further collaterally secured by extension of charge over moveable and immovable properties of the company. Further secured by personal guarantee of promoter director(s) of the company.

(B) Rate of Interest

INR working capital credit facilities carry interest rates ranging from 8.55% to 11.85%. Foreign Currency working capital demand loan carries interest of LIBOR plus 3.25% p.a.

(C) Buyers Credit is secured by Bank Guarantee issued within the limits sanctioned to the company and it carries interest of variables spread over the LIBOR corresponding to the period of tenure of the buyer credit (effective rate ranges from 1.50% to 3.00% p.a.).

18 Financial Liabilities - Current: Trade Payable

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Dues to micro and small enterprises (refer note below)		-		-		-
(b) Due to parties other than micro and small enterprises		<u>3,120.17</u>		<u>2,984.23</u>		<u>3,644.21</u>
		<u>3,120.17</u>		<u>2,984.23</u>		<u>3,644.21</u>

Note: The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act). According to the information available with the company, the following disclosure has been made in respect of dues to Micro and Small Enterprises:

Particulars	As at March, 2018		As at March, 2017		As at March, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of the year						
Principal Amount		NIL		NIL		NIL
Interest due on above		NIL		NIL		NIL
(b) Amount of interest paid by the company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year		NIL		NIL		NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interests specified under the MSMED Act		NIL		NIL		NIL
(d) the amount of interest accrued and remaining unpaid at the end of the year		NIL		NIL		NIL
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act		NIL		NIL		NIL

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

19 Financial Liabilities - Current: Other Financial Liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Current maturities of long term borrowings		38.41		111.16		252.40
(b) Interest accrued and due on borrowings		-		-		4.58
(c) Interest accrued but not due on borrowings		1.22		1.17		-
(d) Book overdraft from banks		11.72		150.10		227.35
(e) Unclaimed Dividend *		18.52		21.41		20.21
(f) Other Liabilities		858.83		783.40		720.52
		<u>928.70</u>		<u>1,067.24</u>		<u>1,225.06</u>

* Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 126 of the Companies Act, 2013

20 Other Current Liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Advance from customers		651.11		557.40		406.72
(b) Advance against sale of fixed assets		293.10		293.10		293.10
(c) MTM valuation on forward cover		23.66		-		-
		<u>967.87</u>		<u>850.50</u>		<u>699.82</u>

21 Current Liabilities: Provisions

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Provision for Gratuity		106.28		73.44		110.26
		<u>106.28</u>		<u>73.44</u>		<u>110.26</u>

22 Revenue from operations

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(i) Sales (Export)		17,673.45		14,178.23
(ii) Exchange Fluctuation on Sales (Export)		403.06		121.88
(iii) Sales (Indigenous)		4,140.42		4,410.96
{refer Note (b) below for break-up}			22,216.93	18,711.07
(iv) Other operating revenue				
Export Incentives {refer Note (c) below for break-up}			1,280.69	1,227.72
Revenue from operations (gross)		<u>23,497.62</u>		<u>19,938.79</u>

(a) Revenue from operations for periods upto 30th June, 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind AS 18 - Revenue Recognition' GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended March 31, 2018 is not comparable with the previous year. However, it has no effect on profits for the year. Amount of such excised duty for the current year is Rs. 4.24 Lacs (previous year Rs. 70.08 Lacs).

(b) Breakup of Sales

Finished Leather (including Split)		13,523.45		11,743.28
Leather Shoe and components		8,693.48		6,967.79
Total		<u>22,216.93</u>		<u>18,711.07</u>

SUPER TANNERY LIMITED**Super Tannery Limited****Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018****(c) Details of other operating revenue**

Export Incentives		
Duty Draw Back	892.91	1,023.57
Other export incentives/licences	387.78	204.15
Total	<u>1,280.69</u>	<u>1,227.72</u>

23 Other Income

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Interest income				
- from Fixed Deposit with Banks		15.69		7.34
(b) Profit on Sale of Property Plant & Equipments		116.80		16.69
(c) Miscellaneous Income		22.77		28.57
(d) Deferred revenue on EPCG & IDLS Subsidy		33.38		17.36
(e) Liabilities/provisions no longer required		-		145.74
(f) Share of profit from the LLP		6.23		-
Total		<u>194.87</u>		<u>215.70</u>

24 Cost of material consumed

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<u>Raw Material consumed</u>				
(a) Raw Hide for sole	490.70		1,122.45	
(c) Raw Hide for chrome	6,719.29		5,014.49	
(d) Wet Blue Leather Chrome	148.93		138.22	
(e) Upper for safety shoes	1,567.76		1,923.31	
(f) Finish leather for shoe upper and shoes	1,402.62		756.73	
(g) Others	57.76		73.07	
Raw Material consumed		10,387.06		9,028.27
Chemicals consumed		3,274.34		2,787.31
Stores & Spares consumed		1,341.70		1,702.50
Total		<u>15,003.10</u>		<u>13,518.08</u>

25 Purchase of stock in trade

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Finished Leather (including Split)		861.64		366.85
(b) Shoe Upper		490.26		281.16
Total		<u>1,351.90</u>		<u>648.01</u>

SUPER TANNERY LIMITED**Super Tannery Limited**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

26 Increase/decrease in Inventories

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Inventories at the commencement of the year				
Finished Goods	2,361.84		4,424.42	
Work in process	2,774.71		470.26	
Waste & Scrap	180.49		74.77	
TOTAL 'A'		5,317.04		4,969.45
Inventories at the end of the year				
Finished Goods	1,480.98		2,361.84	
Work in process	2,672.18		2,774.71	
Waste & Scrap	249.09		180.49	
TOTAL 'B'		4,402.25		5,317.04
Decrease/(Increase) in Stocks (A-B)		914.79		(347.59)

27 Employee benefit expense

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Salary and Bonus		632.66		671.88
Directors Remuneration		86.67		66.46
Contribution to Provident and other funds		76.16		83.47
Contribution to Gratuity Fund		38.68		11.76
Workmen and Staff Welfare expenses		28.57		34.33
Total		862.74		867.90

28 Finance cost

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Interest on				
- Term Loan		3.50		12.45
- Others		500.44		604.94
		503.94		617.39
Bank Charges		78.64		79.96
Foreign Bank Charges		16.63		8.09
Total		599.21		705.44

29. Depreciation and Amortisation Expenses

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Depreciation/Amortisation on Tangible Assets		569.72		581.18
Amortisation of Intangible assets		0.21		0.20
Total		569.93		581.38

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

30 Other expenses

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Manufacturing Expenses				
Job Work Charges	1,124.22		1,067.70	
Power and Fuel	530.10		510.27	
Excise Duty on sales	4.24		70.08	
Pollution Control Expenses	18.50		14.77	
Repairs and Maintenance				
- Building	14.50		42.43	
- Machinery	64.32		52.68	
		1,755.88		1,757.93
Selling and Distribution Expenses				
Freight, Handling and Other Sales and Distribution Expenses	889.55		816.99	
Commission on Sale	309.27		295.04	
Advertisement and Publicity	2.98		6.40	
Bad Debts - Provision/write off	22.25		-	
		1,224.05		1,118.43
Establishment Expenses				
Rent	12.35		23.08	
Rates and Taxes	42.99		47.93	
Insurance	41.16		52.81	
E.C.G.C Premium	112.18		76.50	
Communication cost	33.43		55.60	
Travelling and Conveyance	187.38		214.95	
Repairs and Maintenance - Others	65.81		68.88	
Printing and Stationery	12.04		13.55	
Legal and Professional Charges	13.04		19.74	
Auditor's Remuneration {refer Note (a) below}	6.26		5.51	
Miscellaneous Expenses	169.75		179.25	
Research & Development Expenses	1.65		2.06	
CSR Expenditure	11.25		10.50	
Subscription and Donation	17.21		9.98	
Investment written off	4.65		-	
Loss on Sale of Property Plant & Equipments	2.92		5.00	
Exchange Fluctuation	57.12		70.26	
		791.19		855.60
Total		<u>3,771.12</u>		<u>3,731.96</u>
(a) Auditor's remuneration comprises:				
As auditor		5.32		4.48
For other services		0.94		1.03
Total		<u>6.26</u>		<u>5.51</u>

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

Particulars	2017 - 18	2016 - 17	
		Rs. in Lacs	Rs. in Lacs
31. Earning per share (EPS)			
(a) Profit for the year (Rs. In Lacs)		406.66	245.12
(b) Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS		107973360	107973360
(c) Nominal value of equity shares (Rupees)		1.00	1.00
(d) EPS- Basic and diluted (Rupees per share)		0.38	0.23
			(Rs. in Lacs)
Particulars	March 31, 2018	March 31, 2017	April 01, 2016

32. Capital and other commitments

i. Estimated value of contracts remaining to be executed on capital account (net of advances)	43.53	60.47	69.94
ii. Other Commitments	NIL	NIL	NIL

33. Contingent liabilities

(i) Contingent Liabilities in respect of:			
(a) Letter of Credit opened and outstanding	233.26	273.84	338.29
(b) The detail of disputed dues (net of amounts paid) as per the clause (ix)(b) of Section 227 (4A) of the Companies Act, 2013			(Rs. in Lacs)

Nature of Dues & Forum where dispute is pending	Period to which relates	March 31, 2018	March 31, 2017	April 01, 2016
Income Tax - u/s 143(3) of the Income Tax Act, 1961:				
ITAT ,Lucknow bench	A.Y. 2007-08	NIL	NIL	30.54
CIT Appeals, Kanpur	A.Y. 2010-11	NIL	NIL	61.17
CIT Appeals, Kanpur	A.Y. 2012-13	NIL	NIL	15.00
CIT Appeals, Kanpur	A.Y. 2013-14	NIL	8.63	8.63
High court, Allahabad bench	A.Y. 2007-08	30.54	30.54	NIL
Tribunal Lucknow bench	A.Y. 2014-15	12.50	12.50	NIL
the Finance Act, 1994 - Service Tax				
Asst. commissioner service tax ,Kanpur	2009-10 to 2013-14	NIL	3.12	3.12
Asst. commissioner service tax ,Kanpur	A.Y. 2014-15	3.80	3.80	3.80

Above claims are likely to be decided in favour of the company, hence not provided for.

34 The Scheme of Arrangement (Dmerger)

- (a) Pursuant to the Scheme of Arrangement i.e. Dmerger (the 'scheme'), duly sanctioned by the National Company Law Tribunal, Bench Allahabad (NCLT) vide Order dated 27.12.2017 with effect from the Appointed Date i.e., April 01, 2017 (as per scheme initially appointed date was 01.04.2015 which was amended to 01.04.2017 duly approved), the Goat Tanning Division of the Company stand transferred to and vested in the company formed for the purpose namely "Amin Tannery Limited" (the 'resulting company') on going concern basis at their respective book value. The certified copy of the orders sanctioning the Scheme has been filed with the Registrar of Companies, UP and Uttaranchal on 01.02.2018. The scheme has been considered in these financial statements by transferring the carrying amount of assets and liabilities of the Goat Tannery Division with effect from the Appointed Date. Further, the financial statements for the year ended March 31 2017 have been restated by the management.

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(b) Detail of Asset and liabilities transferred to the resulting company is as under:

ASSETS	Rs. In Lacs
Non-current assets	
(a) Property, Plant and Equipment	994.42
(b) Capital work-in-progress	33.95
(c) Financial Assets	
(i) Investments	5.90
(d) Other non-current assets	14.22
Current Assets	
(a) Inventories	2,591.30
(b) Financial Assets	
(i) Trade receivables	550.73
(ii) Cash and cash equivalents	31.32
(iii) Bank Balances other than (ii) above	0.12
(iv) Other Financial Assets	143.78
(c) Current Tax Assets (Net)	15.02
(d) Other current assets	14.80
TOTAL ASSETS	(A) 4,395.56
LIABILITIES	
(a) Financial liabilities	
(i) Borrowings	1,804.56
(ii) Trade payables	1,269.69
(iii) Other financial liabilities	127.14
(b) Other current liabilities	3.24
(c) Provisions	54.14
TOTAL LIABILITIES	(B) 3,258.77
Net Assets transferred from Demerged Company	(A - B) 1,136.79
Net Amount transferred to General Reserve (pursuant to the scheme)	1,136.79

35 Disclosure pursuant to Ind AS 19 "Employee Benefits":

(a) Defined Contribution Plan

The employees of the Company are members of a state-managed retirement benefit plans namely Provident fund and Pension and Employee State Insurance (ESI) operated by the Government of India. The Company is required to contribute a specified percentage of payroll cost to the retirement benefit and ESI schemes.

The only obligation of the company with respect to such retirement and other benefit plan is to make the specified contributions.

The Company has recognized the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (refer note 27)

Particulars	Rs. in Lacs	
	2017-18	2016-17
Employer's contribution to PF and FPF	54.33	61.21
Employer's contribution to ESIC	21.83	22.26
Total	76.16	83.47

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(b) Defined Benefit Plan

The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with LIC. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Rs. in Lacs	
	Gratuity (Funded) March 31, 2018	Gratuity (Funded) March 31, 2017
(A) Movements in present value of defined benefit obligation		
Obligations as at beginning of the year	224.30	211.59
Current service cost	27.79	23.94
Interest cost	16.44	16.57
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Current service contribution- employee	-	-
Past Service Cost	3.56	-
Plan amendment	-	-
Acquisitions	-	-
Remeasurement {or Actuarial (gain)/Loss} arising from	-	-
- change in demographic assumption	-	-
- change in financial assumption	(7.22)	9.39
- experience variance	(13.38)	(14.38)
- others	-	-
Benefits paid	(30.96)	(22.81)
Present value of defined benefit obligation as at end of the year	220.53	224.30
(B) Movements in the fair value of plan assets		
Fair value of plan assets at beginning of the year	115.00	114.55
Investment Income	8.43	8.97
Return on plan assets, excluding amount recognised in net Interest expense	(1.22)	(1.71)
Actual contributions by the employer	23.00	16.00
Actuarial gain/loss on plan assets	-	-
Fund transferred	-	-
Employee contribution	-	-
Benefits paid	(30.96)	(22.81)
Fair value of plan assets as at end of the year	114.25	115.00
(C) Amount recognized in the balance sheet		
Present value of defined benefit obligation as at end of the year	220.53	224.30
Fair value of plan assets as at end of the year	114.25	115.00
Funded status {Surplus/(deficit)}	(106.28)	(109.30)
Effect of balance sheet asset limit	-	-
Unrecognised past service cost	-	-
Net asset/(liability) recognised in balance sheet	(106.28)	(109.30)
Net asset/(liability) recognised in balance sheet at beginning of the year	(109.30)	(97.04)
Expense recognised in Statement of Profit and Loss	39.36	31.54
Expense recognised in Other Comprehensive Income	(19.38)	(3.28)
Actual contributions by the employer	23.00	16.00
Net acquisition/business combination	-	-
Net asset/(liability) recognised in balance sheet at end of the year	(106.28)	(109.30)

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(D) Amounts recognized in the statement of profit and loss				
Current service cost		27.79		23.94
Interest cost		8.01		
Loss/(gain) on settlement		-		-
Past service cost		3.56		7.60
Total		39.36	-	31.54
(E) Amounts recognised in other comprehensive income				
Actuarial (gain) / loss due to				
- change in financial assumption		(7.22)		9.39
- experience variance		(13.38)		(14.38)
- others		-		-
Return on plan assets, excluding amount recognised in net Interest expense		1.22		1.71
Remeasurement (or actuarial (gain)/loss) arising due to asset ceiling				
Total		(19.38)		(3.28)
(F) Category of plan assets				
Funds managed by Insurer	100.00%		100.00%	
(G) Sensitivity analysis				
DBO on base assumptions		220.53		224.30
A. Discount Rate				
1. Effect due to 1.00% increase in discount rate	-8.12%	202.62	-8.05%	206.24
2. Effect due to 1.00% decrease in discount rate	9.58%	241.66	9.50%	245.60
B. Salary Escalation Rate				
1. Effect due to 1.00% increase in salary escalation rate	9.20%	240.81	8.78%	243.99
2. Effect due to 1.00% decrease in salary escalation rate	-8.04%	202.80	-7.67%	207.10
C. Withdrawal Rate				
1. Effect due to 50% increase in withdrawal rate	-0.54%	219.34	-0.73%	222.66
2. Effect due to 50% decrease in withdrawal rate	0.59%	221.84	0.80%	226.10
D. Mortality Rate				
1. Effect due to 10% increase in mortality rate	-0.07%	220.38	-0.10%	224.07
2. Effect due to 10% decrease in mortality rate	0.08%	220.70	0.10%	224.53
(H) Risk Exposure - Asset Volatility				
The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.				
These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities.				
The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.				
(I) Actuarial assumptions				
Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:				
i) General assumptions				
- Discount rate (per annum)		7.70%		7.33%
- Withdrawal rate		2.00%		2.00%
- Rate of increase in compensation		8.50%		8.50%
ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2006-08) Ultimate.				
iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated up to 31st December 2017 is available for encashment .				
The discount rates should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of				
iv) the liabilities.				
The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related				
v) obligation.				
The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.				
vi)				
vii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.				
viii) Short term compensated absences have been provided on actual basis.				

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

36 Disclosure as per clause 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 186 (4) of the Companies Act, 2013:

(a) Loans to subsidiaries: (Rs. In Lacs)

Name of the company	Relation -ship	Amount Outstanding as on March 31			Maximum outstanding during the year		
		2018	2017	2016	2018	2017	2016
Super Tannery (U.K) Ltd	Subsidiary	118.80	103.48	114.94	118.80	114.94	119.86
Super Italia SRL	Subsidiary	3.22	1.88	-	3.22	1.88	-

The aforesaid advances has been given to meet the working capital requirements and the same has been utilised for the same purposes.

- b) Investments: refer Note No. 3 (A) & (B)
- c) Guarantee given
The company has not given any corporate guarantee, for securing the credit facility.
- d) Security provided:
The company has not provided any other security to/for any of its subsidiaries and associates.

37 Transition to Ind AS:

These are the Company's first financial statements prepared in accordance with Ind-AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with transition date of 1st April, 2016. Ind AS 101- 'First-time Adoption of Indian Accounting Standards' requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity).

A. Exemptions and exceptions availed

Set out below are the applicable Ind-AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind-AS.

A.1 Ind-AS Optional Exemptions

A.1.1 Deemed Cost

Ind-AS 101 permits a first – time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognized in the financial statements as at the date of transition to Ind-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

A.1.2 Foreign Currency Monetary items

In terms of Para D13AA of Ind AS 101, the Company may continue to account for foreign exchange differences relating to long term foreign currency monetary items as per previous IGAAP. The Company has elected to apply the same.

A.2 Ind-AS Mandatory Exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind-ASs at the date of transition to Ind-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind-AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous GAAP:

A.2.2 De-recognition of financial assets and liabilities

Ind-AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind-AS 109 prospectively for transactions occurring on or after the date of transition to Ind-AS. However, Ind-AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind-AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind-AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind-AS 109 prospectively from the date of transition to Ind-AS.

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

A.2.3 Classification and measurement of financial assets

Ind-AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind-AS.

A.2.4 Impairment of Financial Assets

Ind AS 101 requires an entity to apply the Ind AS requirements retrospectively if it is practicable without undue cost and effort to determine the credit risk that debt financial instruments were initially recognized. The company has measured impairment losses on financial assets as on the date of transition i.e. 1st April, 2016 in view of cost and effort.

B. Transition to Ind AS Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS, as required under Ind AS 101:

- (i) Reconciliation of Balance sheet as at April 1, 2016 (Transition Date);
- (ii) Reconciliation of Balance sheet as at March 31, 2017;
- (iii) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017;
- (iv) Reconciliation of Total Equity as at April 1, 2016 and as at March 31, 2017;
- (v) Adjustments to Cash Flow Statements as at March 31, 2017

The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The re-grouped previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with previous GAAP.

(i) and (ii) Reconciliation of Balance Sheet as at April 1, 2016 (Transition date) and March 31, 2017

Particulars	Note	As at April 01, 2016			As at March 31, 2017		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
		No.	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
ASSETS							
Non-current assets							
(a) Property, Plant and Equipment	A1	6,845.77	(187.15)	6,658.62	5,380.47	13.06	5,393.53
(b) Capital work-in-progress		142.08		142.08	168.32		168.32
(c) Other Intangible assets		4.60		4.60	4.40		4.40
(d) Financial Assets							
(i) Investments	A1	290.62		290.62	287.72		287.72
(ii) Loans		138.56		138.56	127.09		127.09
(e) Other non-current assets		38.24		38.24	24.76		24.76
Current Assets							
(a) Inventories		9,818.70		9,818.70	8,264.56	(9.95)	8,254.61
(b) Financial Assets							
(i) Trade receivables	A1	5,160.45		5,160.45	4,000.59		4,000.59
(ii) Cash and cash equivalents		421.25		421.25	369.11		369.11
(iii) Bank Balances other than (iii) above		163.15		163.15	187.44		187.44
(iv) Other Financial Assets		808.31		808.31	591.25		591.25
(c) Current Tax Assets (Net)		0.90		0.90	51.41		51.41
(d) Other current assets		1,180.01	-	1,180.01	824.99		824.99
TOTAL ASSETS		25,012.64	(187.15)	24,825.49	20,282.11	3.11	20,285.22

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

EQUITY AND LIABILITIES

EQUITY

(a) Equity Share Capital		1,079.73		1,079.73	1,079.73		1,079.73
(b) Other Equity	A1	7,129.77	(327.12)	6,802.65	6,168.76	(122.84)	6,045.92

LIABILITIES

Non current liabilities

(a) Financial liabilities							
(i) Borrowings		266.62		266.62	36.25		36.25
(b) Deferred tax liabilities (net)		623.76		623.76	629.50		629.50
(c) Other non-current liabilities	A1	-	139.97	139.97	-	125.95	125.95

Current liabilities

(a) Financial liabilities							
(i) Borrowings		10,233.41		10,233.41	7,392.46		7,392.46
(ii) Trade payables		3,644.21		3,644.21	2,984.23		2,984.23
(iii) Other financial liabilities		1,225.06		1,225.06	1,067.24		1,067.24
(b) Other current liabilities		699.82		699.82	850.50		850.50
(c) Provisions	A1	110.26		110.26	73.44		73.44

TOTAL EQUITY AND LIABILITIES		25,012.64	(187.15)	24,825.49	20,282.11	3.11	20,285.22
		-	-	-	-	-	-

(iii) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Particulars	Note No.	Previous GAAP Rs. in Lacs	Adjustments Rs. in Lacs	Ind AS Rs. in Lacs
INCOME:				
Revenue from Operations	A1	19,938.79		19,938.79
Other income	A1	198.34	17.36	215.70
Total Income		20,137.13	17.36	20,154.49
EXPENSE:				
Cost of materials consumed	A1	13,518.08		13,518.08
Purchase of stock-in-trade		648.01		648.01
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(347.59)		(347.59)
Employee Benefits Expenses	A1	864.62	3.28	867.90
Finance costs		705.44		705.44
Depreciation and Amortization Expenses	A1	581.14	0.24	581.38
Other Expenses	A1	3,731.96		3,731.96
Total Expenses		19,701.66	3.52	19,705.18
Profit before Exceptional items and Tax		435.47	13.84	449.31
Exceptional Items		-		-
Profit before Tax		435.47		449.31
Tax expense:				
1. Current Tax		225.00		225.00
2. Deferred Tax	A1	5.74	(1.14)	4.60
3. Tax adjustment relating to earlier years		(25.41)		(25.41)
		205.33		204.19
Profit for the period		230.14		245.12
Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				2.14
Re-measurements of the defined benefit plans		-	3.28	3.28
(ii) Income tax related to items that will not be reclassified to profit or loss		-	1.14	1.14
Total comprehensive income for the period		230.14		247.26

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(iv) Reconciliation of Total Equity as at April 1, 2016 and March 31, 2017

Particulars	Note No.	As at March 31, 2017		As at April 01, 2016	
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Net worth as per previous GAAP			7,248.49		8,209.50
Revaluation Reserve adjusted with carrying amount in terms of para 91 of AS-10				(187.15)	
Restatement of government grant IDLS		(139.97)		(139.97)	
Restatement of government grant EPCG		(12.85)			
Capitalisation on Restatement of government grant EPCG		12.85			
Depreciation on Fixed assets		(0.24)			
Deferral of income of government grant		17.37			
Total Impact			(122.84)		(327.12)
Net worth as per Ind AS			7,125.65		7,882.38

(v) Adjustments to Cash Flow Statements as at March 31, 2017

The Ind AS adjustments are non-cash adjustments. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

Notes to Reconciliations:

The following explains the material adjustments made during transition from previous GAAP to Ind AS:

1. Trade receivable

Under previous GAAP the company has recognized provision on trade receivable based on expectation of company. Under Ind AS, the company provides loss allowance on receivable based on the expected Credit Loss (ECL) model which is measured following the "simplified approach at amount equal to lifetime expected credit loss in addition to debts identified as bad/doubtful at each reporting date.

2. Borrowings

Under previous GAAP transaction cost were recognized in Statement of Profit and Loss. Under Ind AS financial liability in form of borrowing have been measured at amortized cost using Effective Interest Method. However, the same has not resulted in any adjustments required to be made.

3. Government Grants

Under previous GAAP, Government Grants in respect of Property, Plant and Equipment was presented as a deduction from Property, Plant and Equipment. Under Ind AS, Government Grants in respect of Property, Plant and Equipment need to be presented as deferred income in profit or loss on a systematic basis over the useful life of the asset.

Under Ind AS, import duty waivers for capital assets purchased under Export Promotion Credit Guarantee (EPCG) schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

On the transition date, the Company, therefore, recorded an adjustment to measure such property, plant and equipment in accordance with Ind AS 16. Under Previous GAAP, cost of the property, plant and equipment was recorded at the cash price paid to acquire such assets. Consequently, depreciation relating to the above differences in the cost of property, plant and equipment under Ind AS and Previous GAAP has also been adjusted.

4. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has not resulted in any adjustment to deferred tax recognised under previous GAAP.

5. Remeasurement of Defined benefits liabilities

Under previous GAAP the company recognized remeasurement of defined benefits plans under profit and loss. Under Ind AS, remeasurement of defined benefits plans are recognized in Other Comprehensive Income

6. Retained Earnings.

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind-AS transition adjustments.

7. Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard enquires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

38 Expenditure on Corporate Social Responsibility (CSR)

In pursuance of the provisions of the Companies Act, 2013 and CSR Policy of the Company it is required to spend two percent of the average net profits for the three immediately preceding financial years towards CSR activities.

Since the company has earned profits in previous years, gross amount required to be spent by the company towards CSR activities during the year is Rs. 11.25 Lacs.

The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is Rs. 11.25 Lacs (previous year: Rs. 10.50 Lacs) detailed as under:

Particulars	Rs. In Lacs					
	Paid	2017-18 Yet to be paid	Total	Paid	2016-17 Yet to be paid	Total
CSR Expenditure	11.25		11.25	10.50	-	10.50
Total	11.25		11.25	10.50	-	10.50

39 Expenditure on Research and Development

Particulars	Rs. In Lacs			
		2017-18		2016-17
Capital Expenditure		-		-
Revenue Expenditure		1.65		2.06
Total		1.65		2.06

40 Disclosure pursuant to Ind AS 17 "Leases":

(a) Where the company is Lessor

i. Operating Lease:

The company has not entered into any non-cancellable Operating Lease.

ii. Finance Lease: The Company has not entered into any finance lease.

(b) Where the company is Lessee

i. Finance Lease:

The company does not have any finance lease arrangement.

ii. Operating Lease: The Company has not entered into any non-cancellable operating leases.

41 Financial Instruments

(i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

Particulars	(Rs. In Lacs)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Debt	7,924.41	7,539.87	10,752.43
Less: Cash and cash equivalent	92.79	369.11	421.25
Net debt (A)	7,831.62	7,170.76	10,331.18
Total equity (B)	7,544.98	7,125.65	7,882.38
Debt Equity Ratio (A/B)	1.04	1.01	1.31

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(ii) Categories of financial instruments

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

a) The fair values of investment in quoted investment equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

b) The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Company (since the date of inception of the loans).

c) The fair value of loans from banks and other financial indebtedness as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

d) Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial Assets						
Financial assets measured at fair value						
Investments measured at						
i. Fair value through other comprehensive income		12.65		12.65		17.05
ii. Fair value through profit and loss		0.52		0.52		0.52
Financial assets measured at amortized cost						
Trade Receivables	5,594.07		4,000.59		5,160.45	
Cash and cash equivalents	92.79		369.11		421.25	
Bank balances other than cash and cash equivalents	209.63		187.44		163.15	
Other financial assets	1,333.90		591.25		808.31	
Total	7,230.39	13.17	5,148.39	13.17	6,553.16	17.57
Financial Liabilities						
Financial liabilities measured at amortized cost						
Borrowings	7,924.41		7,539.87		10,752.43	
Trade payables	3,120.17		2,984.23		3,644.21	
Other financial liabilities	928.70		1,067.24		1,225.06	
Total	11,973.28		11,591.34		15,621.70	

(Rs. In Lacs)

(iii) Income, expenses, gains or losses on financial instruments

Rs. In Lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Financial assets measured at amortized cost		
Allowances for doubtful receivables	8.77	-
Financial assets measured at fair value through Profit and Loss	-	-
Financial assets measured at fair value through Other Comprehensive Income	-	-

Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

(iii) Financial risk management objectives:

The Company's principal financial liabilities comprise of loan from banks and financial institutions, and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

(a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and Other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Expected credit loss assessment for customers:

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	(Rs. In Lacs)	
	2017-18	2016-17
Impairment loss as per ECL recognised/(reversed)	8.77	-
Additional Provision/write off	13.48	-
Amount debited to Profit and Loss	22.25	-

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and derivative contracts.

The Company held cash and cash equivalents of Rs. 92.79 Lacs at March 31, 2018 (March 31, 2017: Rs. 369.11 Lacs, April 1, 2016: Rs. 421.25 Lacs).

Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

(b) Market risk:

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

(i) Foreign currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Company's exposure is mainly denominated in USD, GBP and Euro. The exchange rates have changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks. The Company uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rate.

The Company do not use derivative financial instruments for trading or speculative purposes.

(ii) Interest rate risk:

Interest rate risk is measured by using the cash flows sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

Interest rate sensitivity analysis:

As at March 31, 2018 interest bearing financial liability (secured loan from banks) stood at Rs. 7924.41 Lacs, was subject to variable interest rates. Increase/decrease of 50 basis points in interest rates at the balance sheet date would result in decrease/increase in profit before tax of Rs. 39.62 Lacs.

The risk estimates provided assume a parallel shift of 50 basis points interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Fair value of financial instruments:

All financial assets are initially recognized at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non-derivative financial assets are carried at fair value, gains and losses on re-measurement are recognized directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognized directly in the standalone statement of profit and loss. Financial assets are redesignated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognized at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortized cost.

(III) Liquidity risk:

The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has an overdraft facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

Liquidity table:

Liquidity tables drawn up based on the cash flow of financial liabilities based on the earliest date on which the Company can be required to pay is disclosed at Note no. 51.

(IV) Other price risk:

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2018. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

(V) Equity price sensitivity analysis:

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

42 Disclosure pursuant to Ind AS 27 "Separate Financial Statements"

Investments in following subsidiaries and associates is accounted at cost:

S. No.	Name of Subsidiary company / Associate Company	Principal place of business	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Effective proportion of ownership interest (%)	Effective proportion of voting power interest (%)	Effective proportion of ownership interest (%)	Effective proportion of voting power interest (%)	Effective proportion of ownership interest (%)	Effective proportion of voting power interest (%)
(A)	Wholly Owned Subsidiaries (Foreign)							
i.	Super Tannery (U.K.) Ltd.	UK	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ii.	Super Tannery UAE FZE	UAE	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
iii.	Super Itallia SRL	Italy	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
(B)	Subsidiaries (India)							
i.	Aarifi Tanners Limited	India	82.52%	82.52%	82.52%	82.52%	82.52%	82.52%
ii.	Super Corporation Limited	India	52.00%	52.00%	52.00%	52.00%	52.00%	52.00%
(C)	Associate Company							
i.	Secure Safety Limited	India	46.62%	46.62%	46.62%	46.62%	46.62%	46.62%

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

43 There is no amount due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2018.

44 Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent assets":

The company has recognised contingent liabilities as disclosed in Note 33 above and as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the year.

45 Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

There are no such asset held for sale and discontinued operations on 31 March 2018.

46 Tax Expenses

(a) Amounts recognized in profit and loss (Rs. In Lacs)

Particulars	2017-18	2016-17	
Current tax expense			
Current year	220.00	225.00	
Changes in estimates relating to prior years	(23.16)	(25.41)	
		196.84	199.59
Deferred tax expense	16.20	4.60	
Origination and reversal of temporary differences	-	-	
Recognition of previously unrecognized tax losses	-	-	
		16.20	4.60
Tax expense recognized in the income statement		213.04	204.19

(b) Amounts recognized in other comprehensive income (Rs. In Lacs)

Particulars	2017-18	2016-17
Items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit plans	19.38	3.28
Tax Expense/Benefit	6.71	1.14
Net of Tax	12.67	2.14

(c) (i) Unused tax losses for which no deferred tax asset is recognised in the Balance Sheet NIL
(ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet NIL

(d) Components of deferred tax (assets) and liabilities recognised in Balance Sheet and Statement of Profit or Loss:

Particulars	Balance Sheet as at			Statement of Profit & Loss	
	31.03.18	31.03.17	01.04.16	2017-18	2016-17
Difference between book balance and tax balance of fixed assets	689.19	641.98	680.69	47.21	-38.71
Provision for gratuity	-36.78	-12.48	-56.93	-24.30	44.45
Others	-	-	-	-	-
Net Deferred Tax (asset) liability	652.41	629.50	623.76		
Deferred Tax expense/(income)				22.91	5.74
- Recognised in Statement of Profit & Loss				16.20	4.60
- Recognised in Other Comprehensive Income				6.71	1.14

(e) Reconciliation of deferred Tax (Asset) Liability

Particulars	2017-18	2016-17
Opening Balances	629.50	623.76
Tax (income)/expense during the period recognised in:		
- Statement of Profit and Loss in Profit or Loss section	16.20	4.60
- Statement of Profit and Loss under OCI section	6.71	1.14
Closing Balances	652.41	629.50

47 Financial Statements of the subsidiary companies and related detailed information will be made available to the investors, of the company and subsidiary companies, seeking such information. The financial statements of the subsidiary companies are also kept at Registered Office of the company and that of subsidiary companies for inspection of investors of the company and subsidiary companies.

Super Tannery Ltd

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2018

48 Disclosure of related parties/related party transactions/balances pursuant to Ind AS 24 "Related Party Disclosures"

(A) Name of Related Parties and nature of relationship

i. Related parties over which control exist (Subsidiaries)

- a) Super Tannery (U.K.) Ltd.
- b) Super Tannery UAE FZE
- c) Super Itallia SRL
- d) Aarifi Tanners Ltd
- e) Super Corporation Limited

ii. Joint Ventures

Nil

iii. Associates with whom transactions were carried out during the year

Proportion of voting power held by Co.	3/31/2018	3/31/2017	4/1/2016
	46.62%	46.62%	46.62%

a) Secure Safety Ltd

iv. Key Management Personnel (KMP) & Relatives:

- a) Mr. Iftikharul Amin – Managing Director
- b) Mr. Iqbal Ahsan – Jt. Managing Director
- c) Mr. Vequarul Amin- Jt. Managing Director
- d) Mr. Imran Siddiqui – Whole time Director
- e) Mr. Arshad Khan – Whole time Director
- f) Mr. Mohd Imran – Whole time Director
- g) Mr. R. K. Awasthi - Company Secretary
- h) Mr. Y S Katiyar - Whole time Direlor
- i) Mr. Mubashirul Amin (Son of Mr. Iqbal Ahsan)
- j) Mr. Tanveerul Amin (Son of Mr. Iftikharul Amin)
- k) Mr. Khalid Sayeed (Brother of Mr. Imran Siddiqui)
- l) Mr. Umairul Amin (Son of Mr. Iqbal Ahsan)

v. Others: Enterprise over which KMP or relatives of KMP are able to exercise significant influence:

- a) Super Shoes Ltd
- b) Amin Tannery Ltd
- c) Amin Colonizers & Developers Ltd
- d) Banthar Industrial Pollution Control Company
- e) Industrial Infrastructure Services (I) Ltd
- g) Bovini Frills LLP

(B) (i) Disclosure of related party transactions during the year (in ordinary course of business at arm length price) Summary:

Transactions	Subsidiaries			Associates			Other related parties			KMP and Relatives		
	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	
	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16
Purchases of materials / finished goods	47.88	2.50	-	-	-	-	0.28	-	-	-	-	-
Sale of materials / finished goods	16.04	392.65	-	-	-	-	199.51	36.32	-	-	-	-
Rent paid	3.60	3.60	-	-	-	-	-	-	-	-	-	-
Rent received	-	-	-	-	-	-	0.72	-	-	-	-	-
Remuneration/sitting fee	-	-	-	-	-	-	-	-	-	117.89	119.26	-
Receivables (Net)	264.81	267.21	639.63	25.05	-	2.56	30.54	28.29	-	-	-	-
Payables (Trade payable & other liabilities)	-	-	2.38	-	-	-	0.28	-	1.04	24.34	33.91	32.87
Loans and Advances	118.80	128.97	138.56	25.05	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-

refer Note No. 3

(B) (i) Detail of related party transactions during the year (in ordinary course of business at arm length price)

Name of related party & Transactions	Subsidiaries		Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17
Purchases of materials / finished goods								
Supershoes Ltd	-	-	-	-	-	0.28	-	-
Super Corporation Ltd	-	2.50	-	-	-	-	-	-
Super Tannery UAE FZE	47.88	-	-	-	-	-	-	-
	47.88	2.50	-	-	-	0.28	-	-
Sale of materials / finished goods								
Super Tannery UAE FZE	16.04	392.65	-	-	-	-	-	-
Supershoes Ltd	-	-	-	-	-	-	-	-
Bovini Frills LLP	-	-	-	-	199.51	36.32	-	-
	16.04	392.65	-	-	199.51	36.32	-	-
Rent paid								
Aarifi Tanners	3.60	3.60	-	-	-	-	-	-
	3.60	3.60	-	-	-	-	-	-
Rent received								
Bovini Frills LLP	-	-	-	-	0.72	-	-	-
	-	-	-	-	0.72	-	-	-
Remuneration/sitting fee								
Mr. Ifkharul Amin	-	-	-	-	-	-	26.00	26.58
Mr. Iqbal Ahsen	-	-	-	-	-	-	26.58	26.58
Mr. Imran Siddique	-	-	-	-	-	-	7.58	7.58
Mr. Arshad Khan	-	-	-	-	-	-	4.59	4.59
Mr. Mohd Imran	-	-	-	-	-	-	4.59	4.59
Mr. Voqarul Amin	-	-	-	-	-	-	26.58	26.58
Mr. Mubashirul Amin	-	-	-	-	-	-	6.77	7.43
Mr. Tanveerul Amin	-	-	-	-	-	-	6.77	7.43
Mr. Kharid Sayeed	-	-	-	-	-	-	1.77	1.82
Mr. Umairul Amin	-	-	-	-	-	-	4.59	4.54
Mr. R K Awasthi	-	-	-	-	-	-	2.07	1.94
	-	-	-	-	-	-	117.89	119.28

(C) Outstanding balances with related parties:

(i) Receivables (Net)	Subsidiaries		Associates		Other related parties		KMP and Relatives	
	As at / for the year ended		As at / for the year ended		As at / for the year ended		As at / for the year ended	
	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17
Super Tannery UAE FZE	192.39	264.58	234.90	-	-	-	-	-
Super Tannery UK Ltd	62.58	-	189.90	-	-	-	-	-
Super Itala SRL	9.03	-	-	-	-	-	-	-
Aarifi Tanners Ltd	0.81	2.63	0.60	-	-	-	-	-
Secure safety Limited	-	-	-	25.05	-	2.56	-	-
Bovini Frills LLP	-	-	212.38	-	-	-	30.54	28.29
Supershoes Ltd	-	-	1.85	-	-	-	-	-
Safety Solution SRO	-	-	-	-	-	-	-	-
	264.81	267.21	639.63	25.05	2.56	28.29	30.54	28.29

(H) Payables (Trade payable & other liabilities)

	2017-18	2016-17	2015-16	2011-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Securo Safety Limited	-	-	-	-	-	-	-	-	-	-	-	-
Aarifi Tanners Ltd	-	-	2.36	-	-	40.07	-	-	-	-	-	-
Supertoxics Ltd	-	-	-	-	-	-	0.28	-	-	-	-	-
Barrbar Industrial Pollution Control CO.	-	-	-	-	-	-	-	-	0.91	-	-	-
Industrial Infrastructural Services Ltd	-	-	-	-	-	-	-	-	0.13	-	-	-
Mr. Hkhanul Amin	-	-	-	-	-	-	-	-	-	9.50	9.56	9.52
Mr. Iqbal Akhann	-	-	-	-	-	-	-	-	-	9.53	9.53	9.52
Mr. Innaq Siddiqua	-	-	-	-	-	-	-	-	-	1.40	1.40	0.83
Mr. Asghad Khan	-	-	-	-	-	-	-	-	-	0.56	0.56	0.53
Mr. Mohd Imran	-	-	-	-	-	-	-	-	-	0.54	0.52	0.54
Mr. Veqarull Amin	-	-	-	-	-	-	-	-	-	-	9.55	9.55
Mr. Mubashir Amin	-	-	-	-	-	-	-	-	-	0.85	0.85	0.74
Mr. Tanveerul Amin	-	-	-	-	-	-	-	-	-	0.85	0.85	0.74
Mr. Khalid Sayeed	-	-	-	-	-	-	-	-	-	0.23	0.23	0.22
Mr. Usmanul Amin	-	-	-	-	-	-	-	-	-	0.56	0.56	0.44
Mr. R. K. Awasthi	-	-	-	-	-	-	-	-	-	0.30	0.29	0.27
	-	-	2.36	-	-	-	0.28	-	1.04	24.34	33.91	32.87

(I) Loans and advances

Super Itala SRL	-	1.06	-	-	-	-	-	-	-	-	-	-
Securo safety Limited	-	-	-	25.05	-	-	-	-	-	-	-	-
Super Tannery UK	118.80	103.48	114.94	-	-	-	-	-	-	-	-	-
Safety Solution SRO	-	23.61	23.62	-	-	-	-	-	-	-	-	-
	118.80	128.07	138.56	25.05	-	-	-	-	-	-	-	-

(Q) No amount has been written off/back or provided as doubtful debts during the year in respect of related parties.

(R) Key Management Personnel remuneration for the year ended 31st March 2018 is as follows: - Employees of the financial statements. A disclosure of the remuneration of the key management personnel is provided in the financial statements. The same is not included above.

49 (S) Foreign Currency Exposure hedged and un-hedged as at the balance sheet date is as under:

PARTICULARS	USD			EURO			GBP			AUD		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Debtors	46.99	17.42	0.01	10.63	2.88	0.65	3.26	1.56	-	-	-	-
Creditors	0.16	0.34	2.80	0.33	0.08	1.72	-	-	-	-	-	-
Other Payables	0.02	0.13	0.83	0.03	0.11	1.21	-	0.81	0.26	-	-	0.00
Advances	-	-	-	0.01	-	-	-	-	-	-	-	-
Cash & Bank Balance	0.13	0.01	0.23	0.05	0.28	0.07	0.00	0.80	0.00	-	-	-
Corporate Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
Letter of Credit	1.50	4.27	1.81	1.65	0.00	2.06	-	-	-	-	-	-

(T) Derivative Instrument Outstanding (Forward Contract for hedging)

PARTICULARS	USD / INR			EURO / INR		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Against exports	-	-	-	24.58	8.41	-

50 Disclosure pursuant to Ind AS 108 "Operating Segment"

The company is operating mainly in single segment i.e., Leather and leather products; hence no disclosure is required in terms of Ind AS 108.

51 Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements"

(a) Current liabilities and borrowings expected to be recovered within twelve months and after twelve months from the reporting date:

Rs in Lacs

Particulars	Note No.	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016		
		Within twelve months	After twelve months	Within twelve months	After twelve months	Within twelve months	After twelve months	Total
Borrowings		7,864.88	59.73	7,924.41	36.25	7,539.86	266.82	10,752.43
Trade and other payables		3,120.17	-	3,120.17	-	2,384.23	-	3,644.21
Other financial liabilities		890.28	-	890.29	-	956.28	-	972.66

(b) Current assets expected to be settled within twelve months and after twelve months from the reporting date:

Rs in Lacs

Particulars	Note No.	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016		
		Within twelve months	After twelve months	Within twelve months	After twelve months	Within twelve months	After twelve months	Total
Inventories		7,177.73	-	7,177.73	-	8,254.61	-	9,818.70
Trade Receivable		5,594.07	-	5,594.07	-	4,000.59	-	5,160.45
Other Financial Assets		1,333.90	-	1,333.90	-	591.25	-	808.31
Other Current Assets		992.86	-	992.86	-	824.99	-	1,180.01

52 Figures of the previous year have been regrouped/rearranged where necessary in order to make them comparable with those of current year. Figures have been rounded off to the nearest rupees in lacs.

As per our attached report of even date

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

For and on behalf of the Board

Rajeev Kapoor
Partner
M. No. 077827

Mohd Imran
Director(Finance)
Itikharul Amin
Managing Director

Place: Karpur
Date: May 30, 2018

R. K. Awasthi
Company Secretary

**CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2018**

INDEPENDENT AUDITORS' REPORT

To the Members of Super Tannery Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Super Tannery Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, and for the Consolidated Statement of Change in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of cash flows and the consolidated statement of change in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with rules there under. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other audit or in terms of their reports referred to in subparagraph (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the considerations of the reports of the other auditors on separate financial statements of subsidiaries and associates referred to below in the other matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the consolidated state of affairs of the Group and its associates as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note no. 33 to the accompanying Ind AS financial statements regarding restatement of financial statements of earlier periods

SUPER TANNERY LIMITED

pursuant to the scheme of Arrangement resulting in demerger of the Goat Tannery Business undertaking of the company with effect from the appointed date being April 01, 2017 as approved by the National Company Law Tribunal (NCLT) vide Order dated 27th December, 2017. Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Other Matters

- a). We did not audit the financial statements / financial information of five subsidiaries, whose financial statements / financial information reflect total assets of Rs.599.20 Lacs as at March 31, 2018, total revenues of Rs. 1,183.00 Lacs and net cash flows(increase) amounting to Rs.18.96 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
- b) The consolidated Ind AS financial statement for the year ended March 31, 2016 and March 31, 2017 included in these consolidated Ind AS financial statements have been audited by the erstwhile statutory auditor who expressed unmodified opinion on those statements vide report dated May 30, 2016 and May 30, 2017 respectively, and have been restated to comply with Ind AS.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit and on the consideration of the report of other auditors on separate financial statements and the other financial information of subsidiaries and associate companies incorporated in India referred in the other matters paragraph above, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Change in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with rules there on.
 - On the basis of the written representations received from the directors of the Parent as of March 31, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Parent and its associate companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our Report in Annexure A; which is based on the auditors' reports of the parent and associate companies incorporated in India.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate— Refer Note no. 36 to the consolidated financial statements. .
 - The Group and its associate companies incorporated in India did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate companies incorporated in India during the year ended March 31, 2018.

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C

Place: Kanpur
Date: May 30, 2018

(Rajeev Kapoor)
Partner
M. No. 077827

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the consolidated Ind AS financial statements of Super Tannery Limited ("the Holding Company") for the year ended March 31, 2018]

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Super Tannery Limited (hereinafter referred to as the Parent/the Company) as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C

(Rajeev Kapoor)
Partner
M. No. 077827

Place: Kanpur
Date: May 30, 2018

SUPER TANNERY LIMITED

Consolidated Balance sheet as at March 31, 2018

Particulars	Note No.	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
ASSETS							
Non-current assets							
(a) Property, Plant and Equipment	2 (a)		5,343.44		5,681.24		6,947.50
(b) Capital work-in-progress			266.81		168.32		142.08
(c) Goodwill	2 (b)		43.70		43.70		43.70
(d) Other intangible assets	2 (c)		4.19		4.40		4.60
(e) Financial Assets							
(i) Investments	3	86.32		83.16		89.19	
(ii) Loans	4	26.77	113.09	45.05	128.81	44.07	133.26
(f) Other non-current assets	5		39.10		41.16		50.94
Current Assets							
(a) Inventories	6		7,181.22		8,332.39		9,881.59
(b) Financial Assets							
(i) Trade receivables	7	5,975.67		4,101.19		4,878.78	
(ii) Cash and cash equivalents	8	144.88		407.41		463.40	
(iii) Bank Balances other than (ii) above	9	209.63		187.44		163.15	
(iv) Other Financial Assets	10	1,339.13	7,669.31	591.25	5,287.29	818.90	6,324.23
(c) Current Tax Assets (Net)			100.54		51.45		0.90
(d) Other current assets	11		1,115.99		1,105.45		1,258.50
TOTAL ASSETS			21,877.39		20,844.21		24,787.30
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity Share Capital	12	1,079.73		1,079.73		1,079.73	
(b) Other Equity	13	5,954.37		5,576.92		6,234.50	
Equity attributable to the owners of the company			7,034.10		6,656.65		7,314.23
Non Controlling Interest			24.87		35.63		34.61
TOTAL EQUITY			7,058.97		6,692.28		7,348.84
LIABILITIES							
Non current liabilities							
(a) Financial liabilities							
(i) Borrowings	14		59.73		36.25		254.63
(b) Deferred tax liabilities (net)	15		653.49		630.58		624.85
(c) Other non-current liabilities	16		302.76		125.95		139.97
Current liabilities							
(a) Financial liabilities							
(i) Borrowings	17	7,826.27		7,392.45		10,233.40	
(ii) Trade payables	18	3,959.96		3,635.45		3,875.63	
(iii) Other financial liabilities	19	940.34	12,727.17	1,076.41	12,104.31	1,257.75	15,366.78
(b) Other current liabilities	20		968.97		1,181.40		941.97
(c) Provisions	21		106.30		73.44		110.26
TOTAL EQUITY AND LIABILITIES			21,877.39		20,844.21		24,787.30

Significant Accounting Policies

1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates

Chartered Accountants

Firm Registration No. 008905C

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

Rajeev Kapoor

Partner

M. No. 077827

Place: Kanpur

Date: May 30, 2018

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED

Consolidated Statement of profit and loss for the year ended March 31, 2018

Particulars	Note No.	2017 - 18		2016 - 17	
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
INCOME:					
Revenue from Operations	22		24,576.94		20,141.86
Other income	23		202.34		356.09
Total Income			24,779.28		20,497.95
EXPENSE:					
Cost of materials consumed	24		15,978.57		13,678.64
Purchase of stock-in-trade	25		1,351.90		648.01
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26		911.29		-347.59
Employee Benefits Expenses	27		876.58		882.19
Finance costs	28		400.95		706.82
Depreciation and Amortization Expenses			571.18		582.07
Other Expenses	29		3,952.68		3,798.18
Total Expenses			24,243.15		19,947.32
Profit before Exceptional items and Tax			536.13		550.63
Exceptional Items			-		-
Profit before Tax			536.13		550.63
Tax expense:					
1. Current Tax		220.00		225.00	
2. Deferred Tax		22.91		4.60	
3. Tax adjustment relating to earlier years		(29.87)		(25.41)	
Profit for the period			113.04		204.19
Profit/(Loss) transfer to Minority interest			(3.06)		(0.25)
			113.04		204.19
Other comprehensive income:					
(i) Items that will not be reclassified to profit or loss					
Re-measurements of the defined benefit plans		19.38		3.28	
(ii) Income tax related to items that will not be reclassified to profit or loss		6.71	12.57	1.14	2.14
Total comprehensive income for the period			138.82		348.58
Earnings per equity share	30				
(Face Value per Share Rs. 10/-)					
1. Basic			0.30		0.32
2. Diluted			0.30		0.32

Significant Accounting Policies

1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

Mohd. Imran
Director (Finance)

Ifrikhan Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

Place: Kanpur
Date: May 30, 2018

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital

Particulars	2017 - 18		2016 - 17	
	No. of Share	Rs. in Lacs	No. of Share	Rs. in Lacs
<u>Issued, Subscribed and fully paid-up Equity shares</u>				
Equity shares outstanding at the beginning of the year	107,973,360	1,079.73	107,973,360	1,079.73
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	107,973,360	1,079.73	107,973,360	1,079.73

B. Other Equity

Particulars	Reserves and Surplus				Rs. in Lacs
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 01, 2016	29.59	270.18	5,700.00	234.73	6,234.50
Profit for the year	-	-	-	346.69	346.69
Other Comprehensive Income	-	-	-	2.14	2.14
Other Adjustments	-	-	-	132.80	132.80
Adjustment pursuant to the scheme of amalgamation (Refer Note 33)	-	-	(1,136.79)	-	(1,136.79)
Share of profit/(loss) (after tax) of associates	-	-	-	(2.42)	(2.42)
Balance as at March 31, 2017	29.59	270.18	4,563.21	713.94	5,576.92
Profit for the year	-	-	-	326.15	326.15
Other Comprehensive Income	-	-	-	12.67	12.67
Adjustment Subsidiary ceased	-	-	-	44.11	44.11
Share of profit (after tax) of associates	-	-	-	(5.48)	(5.48)
Balance as at March 31, 2018	29.59	270.18	4,563.21	1,091.39	5,954.37

Significant Accounting Policies

1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates
Chartered Accountants
Firm Registration No. 008905C

Mohd. Imran
Director (Finance)

Mr. Rharul Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

Place: Kanpur
Date: May 30, 2018

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2018

Particulars	Note No.	2017 - 18 Rs. in Lacs	2016 - 17 Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax		536.13	550.63
Adjustments for :			
Depreciation/ Amortisation		571.18	582.07
Profit/(Loss) on Sale of Property, Plant & Equipments		(63.07)	(11.69)
Interest Income		(16.05)	(7.68)
Finance Cost		600.95	705.82
Remeasurement of net defined benefit plans		(19.38)	(3.28)
Share of profit from firm		(6.23)	-
Bad Debts provided/written off		22.25	-
Operating profit before working capital changes		1,625.78	1,815.87
Changes in working capital:			
Adjustment for (increase)/decrease in operating assets			
(Increase)/ Decrease in trade receivables		(1,896.73)	777.59
(Increase)/ Decrease in inventories		1,151.17	1,549.20
(Increase)/ Decrease in other non current loans		18.88	(1.58)
(Increase)/ Decrease in other current financial assets		(747.88)	227.65
(Increase)/ Decrease in other assets		(8.48)	162.83
Adjustment for increase/(decrease) in operating liabilities			
Increase/ (Decrease) in trade payables		524.51	(240.18)
Increase/ (Decrease) in other financial liabilities		(62.72)	(28.10)
Increase/ (Decrease) in other liabilities		(35.62)	239.43
Increase/ (Decrease) in Provisions		32.86	(36.82)
Cash generated from operations		401.77	4,465.89
Income taxes refunded / (paid), net		(239.22)	(250.14)
Net cash generated from operating activities		162.55	4,215.75
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property Plant & Equipments		(484.05)	(605.30)
Proceeds from sale of PPE		219.14	182.52
Adjustment on consolidation		93.69	86.04
Interest received		16.05	7.68
Other bank balances (Margin Money & others)		(22.19)	(24.29)
Net cash (used in) / generated from investing activities		(177.36)	(353.35)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long-term loans		(49.27)	(371.62)
Proceeds/(repayment) from/of working capital loans		433.82	(2,840.95)
Finance costs paid		(600.95)	(705.82)
Net cash used in financing activities		(216.40)	(3,918.39)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(231.21)	(55.99)
Cash and cash equivalents at the beginning of the year		407.41	463.40
Cash & Cash Equivalent transferred pursuant to Scheme (refer Note 33)		(31.32)	-
Cash and cash equivalents at the end of the year (refer Note No. 8 for break-up)		144.88	407.41

Significant Accounting Policies

1

See accompanying notes to the consolidated financial statements

As per our attached report of even date

For and on behalf of the Board

For Rajeev Prem & Associates

Chartered Accountants

Firm Registration No. 008905C

Mohd. Imran
Director (Finance)

Ifrikharul Amin
Managing Director

Rajeev Kapoor

Partner

M. No. 077827

Place: Kanpur

Date: May 30, 2018

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED

Super Tannery Limited

Notes forming part of consolidated financial statement for the year ended March 31, 2018

Note 1:

A. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Super Tannery Limited (the company/parent company) and its subsidiaries (collectively, "the Group") for the year ended 31 March 2018. Group is primarily engaged in the business of manufacturing and trading of Leather and Leather Goods.

The Company is a public limited company having its registered office situated at 187/170, Jajmau Road, Kanpur – 208010 (UP). The Company's equity shares are listed at the Bombay Stock Exchange (BSE)

The financial statements were approved for issue in accordance with a resolution of the directors on May 30, 2018.

B. SIGNIFICANT ACCOUNTING POLICIES

1. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

Upto the year ended March 31, 2017, the Group has prepared the financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act.

These are the Group's first Ind AS financial statements. The date of transition to the Ind AS is April 1, 2016. Refer Note no. 33 for details of first-time adoption exceptions and exemptions availed by the Company.

2. Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans - plan assets

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3. Consolidation procedure

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- (iii) The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and except unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonized, to the extent possible, to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.
- (iv) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.
- (v) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets (except fixed assets and share capital) and liabilities are converted at the rates prevailing at the end of the year. Exchange differences arising on consolidation is recognized in the Statement of Profit and Loss. Investments in 100% foreign subsidiaries have been eliminated with the corresponding Share Capital and Share Premium, if any, of the subsidiary company.
- (vi) In case of associates, where the company directly or indirectly through subsidiaries holds more than 20% of equity (i.e. where the Group has significant influence), investments are accounted for using equity method except where the associate operates under severe long-term restrictions that significantly impair its ability to transfer funds to the parent Company.
- (vii) The difference between the cost of investment in the subsidiary/associates, over the net assets of the subsidiary/associates is recognized in the consolidated financial statements as goodwill or capital reserve, as the case may be.
- (viii) An investment in associate is initially recognised at cost and adjusted thereafter to recognize the Group's share of profit or loss and other comprehensive income of associate.
- (ix) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

4. Operating Cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

5. Financial statements are presented in Indian Rupees, which is also its functional currency. Figures have been rounded off to the nearest rupees in lacs.

6. The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

7. Revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

8. Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1st April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Expenses incurred relating to project, including borrowing cost and net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work - in - Progress.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

9. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment recognised at 1st April 2016 measured as per the previous GAAP. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

10. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on such cost of assets less their residual values on straight line method on the basis of estimated useful life of assets as prescribed in Schedule II of the Act. However, in case of foreign Wholly Owned Subsidiary (WOS) the depreciation (including on investment property) or amortisation is accounted for in accordance with the relevant statute / applicable accounting standard of the country.

Freehold land is not depreciated/amortised.

Assets held under financial leases are depreciated over their expected useful lives on the same basis as owned assets or, wherever shorter, the term of relevant lease.

Depreciation is calculated on a pro rata basis except that, assets costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

11. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets being computer software is amortised on straight line method over the period of five years.

The Company has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

12. Impairment of tangible and intangible assets other than goodwill

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

13. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

14. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

(a) Raw materials, Chemicals, Components, stores & spares and Stock in Trade – Cost includes cost of purchase (Net of recoverable taxes) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

(b) Stock in process and finished goods- Direct cost plus appropriate share of overheads.

(c) Saleable Scrap/Waste/By products - At estimated realisable value.

(d) Inter unit goods transfer – transfer price

(e) Import Entitlement / Licences – At estimated realisable/ Utilisation value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

15. Foreign Currencies

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR/Rupees), which is the Company's functional and presentation currency.

b) Transaction and balances

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

(i) Exchange differences pertaining to long term foreign currency loans obtained on or before March 31, 2017:

(a) relating to acquisition of depreciable assets - are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.

(b) Others - carried forward and amortise over the remaining period of such asset or liability since the company had opted to carry forward the same in accordance with the Companies (Accounting Standards) Amendment Rules, 2011.

(i) Exchange differences pertaining to long term foreign currency loans obtained on or after April 1, 2017 is charged off or credited to profit & loss account.

(ii) Investment in overseas Wholly Owned Subsidiaries are carried in Balance Sheet at the rates prevailing on the dates of transaction.

16. Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ☐ Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ☐ Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ☐ Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

17. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortised cost

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- ☐ The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ☐ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- ☐ The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ☐ The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instruments at Fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVOCI or FVTPL. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when

8. The rights to receive cash flows from the asset have expired, or
- ❑ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - ❑ The Company has transferred substantially all the risks and rewards of the asset, or
 - ❑ The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

18. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

19. Financial Liabilities**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

20. Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

21. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

22. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

23. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

24. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

25. Provisions, Contingent liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

26. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in previous period(s). Such a grant is recognised in profit or loss of the period in which it becomes receivable.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets or other relevant basis.

Government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

27. Revenue Recognition**Sale of Goods and services**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns, rebates and discounts to customers.

Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales Tax/ value added tax/ Goods & Services Tax.

Revenue from the sale of goods is recognised when (a) significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery in case of domestic sales and on issuance of Shipping Bill in case of export sales, (b) the amount of revenue can be measured reliably and (c) recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

Interest Income

Interest income is accrued on using on a time basis by the effective interest rate with reference to the principal outstanding.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Export Incentives

Export incentives are recognised when certainty of receipt is established.

Insurance Claim

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain and in such cases it is accounted for on receipt basis.

28. Employee benefits

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through/duly constituted and approved Trusts and the Government.

Defined Contribution Scheme

In case of provident fund administered through Regional Provident Fund Commissioner, the Company has no obligation, other than the contribution payable to the provident fund.

In case of members of constituted and approved trusts, the Company recognises contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India.

The Company's contributions paid / payable during the year to provident fund administered through Approved Trust, Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions.

Defined Benefit Scheme

Gratuity: Cost of providing the Benefit is determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined by independent actuary using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment: Accrued Leaves are encashed annually at the end of the calendar year and not accumulated. Provision for the same is done on the basis of leaves accrued as at the end of the reporting period.

29. Research and Development Expenditure

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as fixed assets.

30. Taxes on Income

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

31. Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

32. Cash Flow Statement

Cash flows statement is prepared as per the Indirect Method specified in Ind AS 7 on Cash Flows. Cash and cash equivalents (including bank balances) shown in statement of cash flows exclude item which are not available for general use on the date of balance sheet.

33. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

34. Segment Reporting

Operating segments are reported in consistent manner with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the Company.

SUPER TANNERY LIMITED

SUPER TANNERY LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

2 (a) Property, plant and equipment

(Rs. in lacs)

Particulars	Land Leasehold	Land Freehold	Factory building	Plant & Machinery	Electric Installation & Fittings	Computer	Office Equipment	Furniture & Fixtures	Vehicle	Total
Gross carrying value										
Deemed Cost as at April 1, 2016*	64.27	252.15	1,712.46	4,014.10	159.12	25.74	40.57	109.44	569.65	6,947.50
Additions	-	-	30.79	469.32	24.99	5.01	7.16	16.20	25.59	579.06
Adjustment/(Deletions)	-	-	(0.86)	(15.56)	-	-	-	-	(167.17)	(183.59)
Transferred pursuant to the Scheme of arrangement	(64.27)	-	(308.82)	(640.24)	(23.14)	(0.38)	(7.21)	(28.17)	(33.21)	(1,105.44)
Ind AS adjustments	-	-	-	13.30	-	-	-	-	-	13.30
As at March 31, 2017	0.00	252.15	1,433.57	3,840.92	160.97	30.37	40.52	97.47	394.86	6,250.83
Additions	-	-	-	264.66	14.10	5.14	8.05	15.43	78.18	385.56
Adjustment/(Deletions)	-	(191.69)	-	51.56	-	-	-	(0.06)	(18.24)	(158.43)
Ind AS adjustments	-	-	-	3.25	-	-	-	-	-	3.25
As at March 31, 2018	0.00	60.46	1,433.57	4,160.39	175.07	35.51	48.57	112.84	454.80	6,481.21
Accumulated Depreciation/Amortisation										
As at April 1, 2016*	-	-	-	-	-	-	-	-	-	-
Additions	-	-	50.53	379.83	28.47	14.89	9.11	12.35	86.93	582.11
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	(12.76)	(12.76)
Ind AS adjustments	-	-	-	0.24	-	-	-	-	-	0.24
As at March 31, 2017	-	-	50.53	380.07	28.47	14.89	9.11	12.35	74.17	569.59
Additions	-	-	51.21	386.57	26.57	12.31	9.75	13.92	69.27	569.60
Adjustment/(Deletions)	-	-	-	-	-	-	-	-	(2.36)	(2.36)
Ind AS adjustments	-	-	-	0.94	-	-	-	-	-	0.94
As at March 31, 2018	-	-	101.74	767.58	55.04	27.20	18.86	26.27	141.08	1,137.77
Net Carrying amount										
As at April 1, 2016*	64.27	252.15	1,712.46	4,014.10	159.12	25.74	40.57	109.44	569.65	6,947.50
As at March 31, 2017	0.00	252.15	1,383.04	3,460.85	132.50	15.48	31.41	85.12	320.69	5,681.24
As at March 31, 2018	0.00	60.46	1,331.83	3,392.81	120.03	8.31	29.71	86.57	313.72	5,343.44

*At deemed cost as per IND-AS 101 (refer Note (ii) below)

(i) Assets given as security for borrowings

All the items of Property, Plant and Equipment of the Company have been given to lenders as security for various borrowing facilities.

(ii) The Company has adopted carrying values as recognized in the financial statements at March 31, 2016, measured as per Previous GAAP as its deemed cost.

Accordingly, its Net Block as on March 31, 2016 is its Gross Block under Ind AS. Break up of the said Gross block as at April 1, 2016 is as under:

Particulars	Gross Block	Accumulated Depreciation / Amortisation / Ind AS Adjustment	Net Block
Freehold land	252.15	-	252.15
Leasehold land	73.59	9.32	64.27
Factory building	2,430.36	717.90	1,712.46
Plant & Equipment	7,975.98	3,961.88	4,014.10
Electric Installation & fittings	474.73	315.61	159.12
Computer	139.35	113.61	25.74
Office Equipment	120.03	79.46	40.57
Furniture & Fixtures	208.78	99.34	109.44
Vehicle	905.74	336.09	569.65
Total	12,580.71	5,633.21	6,947.50

(b) Goodwill - Goodwill on Consolidation

(Rs. in lacs)

Particulars	
Carrying value	
As at April 01, 2016	43.70
Addition/deletion/amortisation/impairment	-
As at March 31, 2017	43.70
Addition/deletion/amortisation/impairment	-
As at March 31, 2018	43.70

SUPER TANNERY LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2018

(c) Other intangible assets

(Rs. In lacs)

Particulars	Website development	Trademark	Computer Software	Total
Gross carrying value				
Deemed Cost as at April 1, 2016*	0.41	1.41	2.78	4.60
Additions	-			-
Deletions/Adjustment	-			-
Ind AS adjustments	-			-
As at March 31, 2017	0.41	1.41	2.78	4.60
Additions	-			-
Deletions	-			-
Ind AS adjustments	-			-
As at March 31, 2018	0.41	1.41	2.78	4.60
Accumulated Depreciation				
As at 1st April, 2016*	-			-
Additions	0.05	0.15		0.20
Deletions/Adjustment	-			-
Ind AS adjustments	-			-
As at March 31, 2017	0.05	0.15	-	0.20
Additions	0.05	0.16		0.21
Deletions/Adjustment	-			-
Ind AS adjustments	-			-
As at March 31, 2018	0.10	0.31	-	0.41
Net Carrying amount				
As at April 1, 2016*	0.41	1.41	2.78	4.60
As at March 31, 2017	0.36	1.26	2.78	4.40
As at March 31, 2018	0.31	1.10	2.78	4.19

The Company has adopted carrying value as recognized in the financial statements as at 31st March, 2016, measured as per Previous GAAP as its deemed cost. Accordingly, its Net Block as on March 31, 2016 is its Gross Block under Ind AS. Break up of the said Gross block as at April 1, 2016 is as under:

Particulars	Gross Block	Accumulated Depreciation / Amortization/ Ind AS Adjustment	Net Block
Computer Software	12.28	9.50	2.78
Trademark	1.61	0.20	1.41
Website Development	0.51	0.10	0.41
Total	14.40	9.80	4.60

The management has carried out an exercise of identifying the asset that may have been impaired, during the year, in respect of each cash generating unit. On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

3 Financial Assets: Investments - Non Current

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs		Rs. in Lacs		Rs. in Lacs	
Equity Shares Unquoted						
INVESTMENTS IN ASSOCIATES						
(i) SECURE SAFETY LIMITED						
6,99,300 Equity Shares of Rs. 10/- each fully paid	69.93		69.93		69.93	
Share of post acquisition profit/(loss) (net)	(5.48)	64.45	(2.41)	67.52	(0.03)	69.90
Total - A		<u>64.45</u>		<u>67.52</u>		<u>69.90</u>
B. OTHERS						
(i) SUPERHOUSE OVERSEAS LIMITED						
5,000 Equity Shares of Rs. 10/- each fully paid		0.50		0.50		0.50
(ii) AL-BARR FINANCE HOUSE LIMITED						
20,000 Equity Shares of Rs. 10/- each fully paid		2.00		2.00		3.00
(iii) SVIT PRONEXT MACHINES PRIVATE LIMITED						
8,500 Equity Shares of Rs. 10/- each fully paid		0.85		0.85		0.85
(iv) INDUSTRIAL INFRASTRUCTURE SERVICES (INDIA) LIMITED						
8,000 Equity Shares of Rs. 10/- each fully paid		2.52		2.52		5.26
(v) KANPUR UNNAD LEATHER CLUSTER DEVELOPMENT CO. LTD.						
75,000 Equity Shares of Rs. 10/- each fully paid		7.50		7.50		6.00
(vi) BANTHAR INDUSTRIAL POLLUTION CONTROL COMPANY						
Nil (21,600) Equity Shares of Rs. 10/- each fully paid		-		-		2.16
(vii) LEATHER CLUSTER DEVELOPMENT						
10,000 Equity Shares of Rs. 10/- each fully paid		1.00		1.00		1.00
Total - B		<u>14.37</u>		<u>14.37</u>		<u>18.77</u>
Equity Shares Quoted						
(i) Superhouse Limited						
5,200 Equity Shares of Rs. 10/- each fully paid		0.52		0.52		0.52
Total - C		<u>0.52</u>		<u>0.52</u>		<u>0.52</u>
Investment in Partnership Firm						
Bovini Frills LLP						
15% in the capital of the LLP		0.75		0.75		-
Share of Reserves and Surplus of the LLP		6.23		-		-
Total - D		<u>6.98</u>		<u>0.75</u>		<u>-</u>
Total (A+B+C+D)		<u>86.32</u>		<u>83.16</u>		<u>89.19</u>
Aggregate Book Value of Quoted Investments		0.52		0.52		0.52
Market Value of Quoted Investments		6.54		7.47		7.20
Aggregate Book Value of Unquoted Investments		85.80		82.64		88.67

Details of Partners, Capital and Profit Sharing Ratio in LLP

Name of Partners	Profit Sharing Ratio	Rs. in Lacs		
		Capital as on 31.03.2018	Capital as on 31.03.2017	Capital as on 01.04.2016
1. Mr. Shahbraz Khan	55%	2.75	2.75	-
2. Super Tannery Limited	15%	0.75	0.75	-
3. Mr. Iftikarul Amin	15%	0.75	0.75	-
4. Mr. Iqbal Ahsan	15%	0.75	0.75	-

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

4 Financial Assets: Loans - Non Current

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Loans & Advances		26.77		45.65		44.07
Total		<u>26.77</u>		<u>45.65</u>		<u>44.07</u>

5 Other Non Current Assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Preliminary Expenses		2.93		4.34		3.67
Security Deposits		36.17		36.82		49.27
Total		<u>39.10</u>		<u>41.16</u>		<u>50.94</u>

6 Inventories (At cost or net realisable value whichever is lower)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Raw Materials		1,675.56		2,074.28		1,751.11
Work in Progress		2,672.18		2,774.72		4,593.16
Finished Goods		1,484.47		2,439.16		2,071.41
(Including stock at port NIL (March 2017: Rs. Rs. 472.41 Lacs & April 2016: Rs. 356.80 Lacs))						
Waste & Scrap		249.09		180.49		84.77
Chemical, Components, Stores and spares		1,099.92		863.74		1,381.14
Total		<u>7,181.22</u>		<u>8,332.30</u>		<u>9,881.59</u>

- (a) All the Inventories have been hypothecated as security for various working facilities from banks.
 (b) During the year nothing was recognised as expense towards write-down of inventory.

7 Financial Assets - Current: Trade Receivable

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Unsecured						
Considered Good		5,975.67		4,101.19		4,878.78
Considered Doubtful (including ECL)		8.77		-		-
		5,984.44		4,101.19		4,878.78
Less: Allowance for doubtful debts		8.77		-		-
Total		<u>5,975.67</u>		<u>4,101.19</u>		<u>4,878.78</u>

- (a) All the Trade Receivables have been hypothecated as security for various working facilities from banks.

8 Financial Assets - Current: Cash and Cash Equivalents

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Balances with banks						
on current accounts		118.39		332.42		408.37
on EEFC accounts		12.27		20.78		20.37
on fixed deposit		5.43		-		-
Cheques and Draft on Hand/Remittance in Transit		-		45.34		1.54
Cash on hand		8.79		8.87		33.12
Total		<u>144.88</u>		<u>407.41</u>		<u>463.40</u>

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

9 Financial Assets - Current: Bank Balances other than cash and cash equivalents

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Margin money deposits (restricted, held as lien against bank guarantees/LCs)		191.11		166.03		142.94
Earmarked balances with banks - unclaimed Dividend		18.52		21.41		20.21
Total		209.63		187.44		163.15

10 Other Current Financial Assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Export Incentive Receivable		334.01		373.12		575.73
Other Claims Receivable		78.03		90.35		126.28
Balance with Govt./Revenue authority		927.09		127.78		115.51
Assets held for sale		-		-		1.38
Total		1,339.13		591.25		818.90

11 Other Current Assets

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Advances to Trade Creditors		830.27		649.03		894.47
Advance recoverable in cash or kind or for value to be received		275.13		445.25		334.70
Prepaid expenses		10.59		11.17		29.33
Total		1,115.99		1,105.45		1,258.50

12 Equity Share Capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Authorised						
Equity Shares of Rs. 10/-each	110,000,000	1,100.00	110,000,000	1,100.00	110,000,000	1,100.00
Issued						
Equity Shares of Rs. 10/-each	107,973,360	1,079.73	107,973,360	1,079.73	107,973,360	1,079.73
Subscribed and fully paid-up						
Equity Shares of Rs. 10/-each	107,973,360	1,079.73	107,973,360	1,079.73	107,973,360	1,079.73
Total		1,079.73		1,079.73		1,079.73

(A) Reconciliation of the number of equity shares and share capital

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
<i>Subscribed and fully paid-up equity shares</i>				
Outstanding at the beginning of the year	107,973,360	1,079.73	107,973,360	1,079.73
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	107,973,360	1,079.73	107,973,360	1,079.73

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

(B) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholders.

(C) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Mr. Veeraj Amin	17,883,900	16.56%	17,883,900	16.56%	17,883,900	16.56%
Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	8.47%	9,142,502	8.47%
Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	8.41%	9,080,432	8.41%

Particulars	2017-18 (No. of Shares)		2016-17 (No. of Shares)	
	(D) Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the immediately preceding five years	NIL		NIL
(E) Equity Shares allotted as fully paid up Bonus Shares during the immediately preceding five years	NIL		NIL	
(F) Equity shares buy-back in immediately preceding five years	NIL		NIL	
(G) Shares held by holding/ultimate holding company and/or their subsidiaries/associates	NIL		NIL	

(H) During the year ended March 31, 2018, the company has not paid any dividend.

13 Other equity

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Capital Reserve		29.59		29.59		29.59
Securities Premium		270.18		270.18		270.18
General Reserve		4,563.21		4,563.21		5,700.00
Retained Earnings		1,091.39		713.94		234.73
Total		<u>5,954.37</u>		<u>5,576.92</u>		<u>6,234.50</u>

(A) Capital Reserve

It represents the gain of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the company for business combination in earlier years.

(B) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. This reserve is utilized in accordance with the

(C) General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

(D) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends paid or other distributions out of reserves to shareholders.

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

14 Financial Liabilities - Non-current: Borrowings

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Secured						
Term loans from banks - INR		-		-		163.08
Vehicle Term loans from banks - INR		59.73		36.25		91.55
Total		<u>59.73</u>		<u>36.25</u>		<u>254.63</u>
Amount of default as on the Balance Sheet date:						
(a) Repayment of loan		NIL		NIL		NIL
(b) Interest on Loan		NIL		NIL		NIL

Repayment terms:

- (a) Secured rupee term loans from banks: Structured Quarterly Instalments
 (b) The classification of loans between current liabilities and non-current liabilities continues based on repayments schedule under respective agreements as no loans have been recalled due to non compliance of conditions under any of the loan agreements.
 (c) Scheduled repayments: Contractual repayments in case of loans from banks (including Current maturities disclosed under other

Current financial liabilities:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Upto three years	71.39	147.41	519.03
Between three to five years	26.75	-	-
Over five years	-	-	-
	-	-	-

Security details:-

Term Loan other than Vehicle Loans

All aforesaid Term Loans are secured by hypothecation/mortgage of company's moveable and im-moveable properties. Further secured by the personal guarantee of promoter Directors of the company.

Vehicle Loans

Secured by hypothecation of vehicle financed.

15 Deferred tax liabilities (Net)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Tax effect of items constituting deferred tax liability						
On difference between book balance and tax balance of fixed asset	690.27		643.06		681.78	
Others	-		-		-	
Total Tax effect of items constituting deferred tax liability	<u>690.27</u>		<u>643.06</u>		<u>681.78</u>	
Tax effect of items constituting deferred tax assets						
Provision for gratuity	36.78		12.48		56.93	
Others	-		-		-	
Total Tax effect of items constituting deferred tax assets	<u>36.78</u>		<u>12.48</u>		<u>56.93</u>	
Net Deferred Tax Liability	<u>653.49</u>		<u>630.58</u>		<u>624.85</u>	

16 Other Non-current Liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Deferred Revenue						
Govt Grant under IDLS	296.16		122.60		139.97	
EPCG Obligations	6.60		3.35		-	
Total	<u>302.76</u>		<u>125.95</u>		<u>139.97</u>	

- (a) Government Grant under IDLS, the deferred grant income is recognized in Statement of Profit and Loss on systematic basis over the useful life of asset on which such grant is received subject to compliance of other terms & conditions of the scheme.
 (b) Under EPCG scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time apart from maintaining average export growth. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. The deferred grant income is recognized in Statement of Profit and Loss on systematic basis over the periods in which the related performance obligations are fulfilled.

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

17 Financial Liabilities - Current: Borrowings

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Secured						
Borrowings from banks						
(a) Cash Credit	388.57		200.02		708.52	
(b) Packing Credit	6,319.55		6,185.32		8,267.38	
(c) Advance against bills sent on collection	912.12	7,020.24	743.39	7,128.73	982.15	9,958.05
Buyers Credit (Foreign Currency Loan) from banks						
(a) for Fixed Assets	206.03	206.03	263.72	263.72	275.35	275.35
Total		7,826.27		7,392.45		10,233.40
Amount of default as on the Balance Sheet date:						
(a) Repayment of loan		NIL		NIL		NIL
(b) Interest on Loan		NIL		NIL		NIL

(A) Security

Working Capital loans are primarily secured by hypothecation of present and future Current Assets and Actionable Claims (viz. Inventories, trade receivable / book debts, outstanding monies, receivable claims, bills and materials in transit).

These are further collaterally secured by extension of charge over moveable and immovable properties of the company.

Further secured by personal guarantee of promoter/director(s) of the company.

(B) Buyers Credit is secured by Bank Guarantee issued within the limit sanctioned to the company.

18 Financial Liabilities - Current: Trade Payable

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Dues to micro and small enterprises		-		-		-
Due to parties other than micro and small enterprises		3,959.96		3,635.45		3,875.63
Total		3,959.96		3,635.45		3,875.63

Note: The company has requested confirmation from Suppliers regarding their registration (filing of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act). According to the information available with the company, the following disclosures has been made in respect of dues to Micro and Small Enterprises:

Particulars	As at March, 2018 Rs. in Lacs	As at March, 2017 Rs. in Lacs	As at March, 2016 Rs. in Lacs
(a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of the year			
Principal Amount	NIL	NIL	NIL
Interest due on above	NIL	NIL	NIL
(b) Amount of interest paid by the company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year	NIL	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	NIL	NIL	NIL
(d) the amount of interest accrued and remaining unpaid at the end of the year	NIL	NIL	NIL
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	NIL	NIL	NIL

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

19 Financial Liabilities - Current: Other Financial Liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Current maturities of long term borrowings		38.41		111.16		264.40
(b) Interest accrued and due on borrowings		-		-		4.58
(c) Interest accrued but not due on borrowings		1.22		1.17		-
(d) Bank overdraft from banks		11.72		150.10		227.35
(e) Unclaimed Dividend*		18.52		21.41		20.21
(f) Other Liabilities		871.07		792.57		741.21
Total		940.94		1,076.41		1,257.75

* Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 176 of the Companies Act, 2015

20 Other Current Liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Advance from customers		652.21		888.30		648.87
(b) Advance against sale of fixed assets		293.10		293.10		293.10
(c) MTM valuation on forward cover		23.66		-		-
Total		968.97		1,181.40		941.97

21 Current Liabilities: Provisions

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Provision for Gratuity		106.30		73.44		110.26
Total		106.30		73.44		110.26

22 Revenue from operations

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Sales (Export & Overseas)	18,752.77		14,178.23	
Exchange Fluctuation on Sales (Export)	403.06		121.88	
Sales (Indigenous)	4,140.42		4,614.03	
(refer Note (b) below for break-up)		23,296.25		18,914.14
Other operating revenue				
Export Incentives (refer Note (c) below for break-up)		1,280.69		1,227.72
Revenue from operations (gross)		24,576.94		20,141.86

(a) Revenue from operations for period upto 30th June, 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind AS 18 - Revenue Recognition' GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended March 31, 2018 is not comparable with the previous year. However, it has no effect on profits for the year. Amount of such excise duty for the current year is Rs. 4.24 Lacs (previous year Rs. 70.08 Lacs).

SUPER TANNERY LIMITED

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(b) Breakup of Sales				
Finished Leather		13,523.45		11,743.28
Leather Shoe and components		8,778.55		6,967.79
Others		994.25		203.07
Total		<u>23,296.25</u>		<u>18,914.14</u>
(c) Details of other operating revenue				
Export Incentives				
Duty Draw Back / RDSL		892.91		1,023.57
Licences/Entitlements		387.78		204.15
Total		<u>1,280.69</u>		<u>1,227.72</u>

23 Other income

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Interest income				
- from Fixed Deposit with Banks		16.05		7.68
Commission Received		1.45		51.96
Profit on Sale of Property, Plant & Equipments		116.80		16.69
Deferred revenue on EPCG & IOL Subsidy		33.38		17.36
Liabilities/provisions no longer required		-		145.74
Exchange Fluctuation		4.78		87.99
Miscellaneous income		23.85		28.67
Share of profit from the firm		6.23		-
Total		<u>202.34</u>		<u>356.09</u>

24 Cost of material consumed

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Raw Material consumed				
(a) Raw Hide for sole		490.70		1,122.45
(b) Raw Hide for chrome		6,719.29		5,014.49
(c) Wet Blue Leather Chrome		148.93		138.22
(d) Upper for safety shoes		1,567.76		1,923.31
(e) Finish leather for shoe upper and shoes		1,402.62		756.73
(f) Others		<u>1,033.23</u>		<u>233.63</u>
Raw Material consumed		11,362.53		9,188.83
Chemicals consumed		3,274.34		2,787.31
Stores & Spares consumed		1,341.70		1,702.50
Total		<u>15,978.57</u>		<u>13,678.64</u>

25 Purchase of stock in trade

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(a) Finished Leather (including Split)		878.14		281.16
(b) Shoe Upper		473.76		366.85
Total		<u>1,351.90</u>		<u>648.01</u>

SUPER TANNERY LIMITED**SUPER TANNERY LIMITED**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

26 Increase/decrease in inventories

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Inventories at the commencement of the year				
Finished Goods	2,361.83		1,403.86	
Work in process	2,774.71		3,490.81	
Scrap	180.49		74.77	
TOTAL 'A'		5,317.03		4,969.44
Inventories at the end of the year				
Finished Goods	1,484.47		2,361.83	
Work in process	2,672.18		2,774.71	
Scrap	249.09		180.49	
TOTAL 'B'		4,405.74		5,317.03
Decrease/(increase) in Stocks (A-B)		911.29		(347.59)

27 Employee benefit expense

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Salary, Wages and Bonus		645.01		685.46
Directors Remuneration (including Sitting Fee)		86.67		66.46
Contribution to Provident and other funds		76.16		83.47
Contribution to Gratuity Fund		40.12		11.76
Workmen and Staff Welfare expenses		28.62		35.04
Total		876.58		882.19

28 Finance cost

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Interest on				
- Term Loan		3.50		12.45
- Others		500.44		604.94
		503.94		617.39
Bank Charges		80.38		79.96
Foreign Bank Charges		16.63		8.47
Total		600.95		705.82

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

29 Other expenses

Particulars	2017 - 18		2016 - 17	
	Rs. in Laacs	Rs. in Laacs	Rs. in Laacs	Rs. in Laacs
Manufacturing Expenses				
Job Work Charges	1,124.22		1,067.70	
Power and Fuel	530.83		512.44	
Import Expenses	4.96		13.07	
Excise Duty on sales	4.24		70.08	
Effluent Treatment Expenses	18.52		14.77	
Repairs and Maintenance				
- Building	16.26		42.43	
- Machinery	64.32		52.68	
		1,763.35		1,773.17
Selling and Distribution Expenses				
Freight, Handling and Other Sales and Distribution Expenses	889.56		821.37	
Commission on Sale	317.29		297.65	
Advertisement and Publicity	2.98		6.40	
Business Promotion	2.10		2.29	
Bad Debts - Provision/write off	22.25		-	
		1,234.18		1,127.71
Establishment Expenses				
Rent	19.17		28.74	
Rates and Taxes	45.83		55.68	
Insurance	42.82		54.37	
E.C.G.C Premium	112.15		76.50	
Communication cost	35.39		57.89	
Travelling and Conveyance	188.47		218.40	
Car Expenses	1.93		2.35	
Repairs and Maintenance - Others	66.29		69.25	
Renewal of Trade License	12.88		13.18	
Printing and Stationery	12.13		14.48	
Legal and Professional Charges	21.19		20.90	
Auditor's Remuneration (refer Note (a) below)	6.62		5.96	
Miscellaneous Expenses	179.24		181.80	
Research & Development Expenses	1.65		2.06	
Exchange Difference	121.98		70.26	
Charity and Donation	17.78		9.98	
Investment written off	4.65		-	
Loss on Sale of Property, Plant & Equipments	53.73		5.00	
Corporate Social Responsibility Expenses	11.25		10.50	
		955.15		897.30
Total		3,952.68		3,798.18
(a) Auditor's remuneration comprises:				
As auditor		5.68		4.51
For other services		0.94		1.45
Total		6.62		5.96

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

Particulars	2017 - 18		2016 - 17	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
30 Earning per share (EPS)				
(a) Profit for the year (Rs. In Lacs)		323.09		346.44
(b) Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS		107973360		107973360
(c) Nominal value of equity shares (Rupees)		1.00		1.00
(d) EPS- Basic and diluted (Rupees per share)		0.30		0.32

31 Capital and other commitments

i. Estimated value of contracts remaining to be executed on capital account (net of advances)	43.53	60.47	69.94
ii. Other Commitments	NIL	NIL	NIL

32 Contingent liabilities

(i) Contingent Liabilities in respect of:			
(a) Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K.	NIL	NIL	117.94
(b) Letter of Credit opened and outstanding	233.26	273.84	338.29

(c) The detail of disputed dues (net of amounts paid) as per the clause 3 (vi)(b) of Section 143 (11) of the Companies Act, 2013 (Rs. in Lacs)

Nature of Dues & Forum where dispute is pending	Period to which relates	March 31,	March 31,	April 01,
		2018	2017	2016
Income Tax - u/s 143(3) of the Income Tax Act, 1961:				
ITAT ,Lucknow bench	A.Y. 2007-08	NIL	NIL	30.54
CIT Appeals, Kanpur	A.Y. 2010-11	NIL	NIL	61.17
CIT Appeals, Kanpur	A.Y. 2012-13	NIL	NIL	15.00
CIT Appeals, Kanpur	A.Y. 2013-14	NIL	8.63	8.63
High court, Allahabad bench	A.Y. 2007-08	30.54	30.54	-
Tribunal Lucknow bench	A.Y. 2014-15	12.50	12.50	-
the Finance Act, 1994 - Service Tax				
Asst. commissioner service tax ,Kanpur	2009-10 to 2013-14	NIL	3.12	3.12
Asst. commissioner service tax ,Kanpur	A.Y. 2014-15	3.80	3.80	3.80

Above claims are likely to be decided in favour of the company, hence not provided for.

33 The Scheme of Arrangement (Demerger)

(a) Pursuant to the Scheme of Arrangement i.e. Demerger (the 'scheme'), duly sanctioned by the National Company Law Tribunal, Bench Allahabad (NCLT) vide Order dated 27.12.2017 with effect from the Appointed Date i.e., April 01, 2017 (as per scheme initially appointed date was 01.04.2015 which was amended to 01.04.2017 duly approved), the Goat Tanning Division of the Company stands transferred to and vested in the company formed for the purpose namely "Amin Tannery Limited" (the 'resulting company') on going concern basis at their respective book value. The certified copy of the orders sanctioning the Scheme has been filed with the Registrar of Companies, UP and Uttaranchal on 01.02.2018. The scheme has been considered in these financial statements by transferring the carrying amount of assets and liabilities of the Goat Tanning Division with effect from the Appointed Date. Further, the financial statements for the year ended March 31 2017 have been restated by the management.

(b) Detail of Asset and liabilities transferred to the resulting company is as under:

ASSETS		Rs. in Lacs
Non-current assets		
(a) Property, Plant and Equipment		994.42
(b) Capital work-in-progress		33.95
(c) Financial Assets		
(i) Investments		5.90
(d) Other non-current assets		14.22
Current Assets		
(a) Inventories		2,591.30
(b) Financial Assets		
(i) Trade receivables		550.71
(ii) Cash and cash equivalents		31.32
(iii) Bank Balances other than (i) above		0.12
(iv) Other Financial Assets		143.78
(c) Current Tax Assets (Net)		15.02
(d) Other current assets		14.80
TOTAL ASSETS	(A)	<u>4,395.56</u>
LIABILITIES		
(a) Financial liabilities		
(i) Borrowings		1,804.56
(ii) Trade payables		1,260.60
(iii) Other financial liabilities		127.14
(b) Other current liabilities		3.24
(c) Provisions		54.14
TOTAL LIABILITIES	(B)	<u>3,258.77</u>
Net Assets transferred from Demerged Company	(A - B)	1,136.79
Net Amount transferred to General Reserve (pursuant to the scheme)		1,136.79

34 Disclosure pursuant to Ind AS 19 "Employee Benefits":

(a) Defined Contribution Plan

The employees of the Company are members of state-managed retirement benefit plans namely Provident fund and Pension and Employee State Insurance (ESI) operated by the Government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit and ESI schemes.

The only obligation of the company with respect to such retirement and other benefit plan is to make the specified contributions.

The Company has recognized the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds' (refer note 27)

Particulars	Rs. in Lacs	
	2017-18	2016-17
Employer's contribution to PF and FPF	54.33	61.21
Employer's contribution to ESIC	21.83	22.26
Contribution for Employee Benefits at WOS		
Total	76.16	83.47

(b) Defined Benefit Plan

The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with LIC. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31, 2018	March 31, 2017
(A) Movements in present value of defined benefit obligation		
Obligations as at beginning of the year	224.30	211.59
Current service cost	27.79	23.94
Interest cost	16.44	16.57
Current service contribution- employee	-	-
Past Service Cost	3.56	-
Plan amendment	-	-
Remeasurement (or Actuarial (gain)/Loss) arising from		
- change in financial assumption	(7.22)	9.39
- experience variance	(13.38)	(14.38)
- others	-	-
Benefits paid	(30.96)	(22.81)
Present value of defined benefit obligation as at end of the year	220.53	224.30
(B) Movements in the fair value of plan assets		
Fair value of plan assets at beginning of the year	115.00	114.55
Investment income	8.43	8.97
Return on plan assets, excluding amount recognised in net interest expense	(1.22)	(1.71)
Actual contributions by the employer	23.00	16.00
Employee contribution	-	-
Benefits paid	(30.96)	(22.81)
Fair value of plan assets as at end of the year	114.25	115.00
(C) Amount recognized in the balance sheet		
Present value of defined benefit obligation as at end of the year	220.53	224.30
Fair value of plan assets as at end of the year	114.25	115.00
Funded status (Surplus/(deficit))	(106.28)	(109.30)
Effect of balance sheet asset limit	-	-
Unrecognised past service cost	-	-
Net asset/(liability) recognised in balance sheet	(106.28)	(109.30)
Net asset/(liability) recognised in balance sheet at beginning of the year	(109.30)	(97.04)
Expense recognised in Statement of Profit and Loss	39.36	31.54
Expense recognised in Other Comprehensive Income	(19.38)	-3.28
Actual contributions by the employer	23.00	16.00
Net acquisition/business combination	-	-
Net asset/(liability) recognised in balance sheet at end of the year	(106.28)	(109.30)
(D) Amounts recognized in the statement of profit and loss		
Current service cost	27.79	23.94
Interest cost	8.01	-
Loss/(gain) on settlement	-	-
Past service cost	3.56	7.60
Total	39.36	31.54
(E) Amounts recognised in other comprehensive income		
Actuarial (gain) / loss due to		
- change in financial assumption	(7.22)	9.39
- experience variance	(13.38)	(14.38)
- others	-	-
Return on plan assets, excluding amount recognised in net interest expense	1.22	1.71
Remeasurement (or actuarial (gain)/loss) arising due to asset ceiling	-	-
Total	(19.38)	-3.28

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

(F) Category of plan assets				
Funds managed by insurer	100%		100%	
(G) Sensitivity analysis				
DBD on base assumptions		220.53		224.30
A. Discount Rate				
1. Effect due to 1.00% increase in discount rate	-8.12%	202.62	-8.05%	206.24
2. Effect due to 1.00% decrease in discount rate	9.58%	241.66	9.50%	245.60
B. Salary Escalation Rate				
1. Effect due to 1.00% increase in salary escalation rate	9.20%	240.81	8.78%	243.99
2. Effect due to 1.00% decrease in salary escalation rate	-8.04%	202.80	-7.67%	207.10
C. Withdrawal Rate				
1. Effect due to 50% increase in withdrawal rate	-0.54%	219.34	-0.73%	222.66
2. Effect due to 50% decrease in withdrawal rate	0.59%	221.84	0.80%	226.10
D. Mortality Rate				
1. Effect due to 10% increase in mortality rate	-0.07%	220.38	-0.10%	224.07
2. Effect due to 10% decrease in mortality rate	0.08%	220.70	0.10%	224.53

(H) Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.

These are subject to interest rate risk and the fund manages interest rate risk derivative to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(I) Actuarial assumptions

Actuarial valuation as at the year-end was done in respect of the aforesaid defined benefit plans based on the following assumptions:

i) General assumptions

- Discount rate (per annum)	7.70%	7.33%
- Withdrawal rate	2.00%	2.00%
- Rate of increase in compensation	8.50%	8.50%

ii) Mortality rates considered are as per the published rates in the India Assured Lives Mortality (2006-08) Ultimate.

iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accumulated upto 31st December 2017 is available for encashment on separation from the Company up to a maximum of 30 days.

iv) The discount rates should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

v) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.

vi) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.

vii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

viii) Short term compensated absences have been provided on actual basis.

35 Transition to Ind AS:

These are the Company's first financial statements prepared in accordance with Ind-AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with the transition date of 1st April, 2016. Ind AS 101 - 'First-time Adoption of Indian Accounting Standards' requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which for the year ended 31st March 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity).

SUPER TANNERY LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018**

A. Exemptions and exceptions availed

Set out below are the applicable Ind-AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind-AS.

A.1 Ind-AS Optional Exemptions**A.1.1 Deemed Cost**

Ind-AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognized in the financial statements as at the date of transition to Ind-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

A.1.2 Foreign Currency Monetary Items

Interms of Para D13AA of Ind-AS 101, the Company may continue to account for foreign exchanged differences relating to long term foreign currency monetary items as per previous IGAAP. The Company has elected to apply the same.

A.2 Ind-AS Mandatory Exceptions**A.2.1 Estimates**

An entity's estimates in accordance with Ind-AS at the date of transition to Ind-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind-AS estimates as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous GAAP:

A.2.2 De-recognition of financial assets and liabilities

Ind-AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind-AS 109 prospectively for transactions occurring on or after the date of transition to Ind-AS. However, Ind-AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind-AS 109 retrospectively from date of the entity's choosing, provided that the information needed to apply Ind-AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind-AS 109 prospectively from the date of transition to Ind-AS.

A.2.3 Classification and measurement of financial assets

Ind-AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind-AS.

A.2.4 Impairment of Financial Assets

Ind-AS 101 requires an entity to apply the Ind-AS requirements retrospectively if it is practicable without undue cost and effort to determine the credit risk that debt financial instruments were initially recognized. The company has measured impairment losses on financial assets as on the date of transition i.e. 1st April, 2016 in view of cost and effort.

B. Transition to Ind AS Reconciliations

The following reconciliations provide a quantification of the effects of significant differences arising from the transition from previous GAAP to Ind AS, as required under Ind AS 101:

- (i) Reconciliation of Balance sheet as at April 1, 2016 (Transition Date);
- (ii) Reconciliation of Balance sheet as at March 31, 2017;
- (iii) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017;
- (iv) Reconciliation of Total Equity as at April 1, 2016 and as at March 31, 2017;
- (v) Adjustments to Cash Flow Statements as at March 31, 2017

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. There grouped previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with previous GAAP.

(i) and (ii) Reconciliation of Balance Sheet as at April 1, 2016 (Transition date) and March 31, 2017

Particulars	Note	As at April 01, 2016			As at March 31, 2017		
		Previous GAAP No.	Adjustments Rs. in Lacs	Ind AS Rs. in Lacs	Previous GAAP Rs. in Lacs	Adjustments Rs. in Lacs	Ind AS Rs. in Lacs
ASSETS							
Non-current assets							
(a) Property, Plant and Equipment	A1	6,031.99	(187.15)	5,844.84	5,671.41	13.06	5,684.47
(b) Capital work-in-progress		139.83	-	139.83	168.31	-	168.31
(c) Investment Properties		-	-	-	-	-	-
(d) Goodwill		-	-	-	-	-	-
(e) Other intangible assets		35.52	-	35.52	35.32	-	35.32
(f) Financial Assets							
(i) Investments		83.29	-	83.29	83.16	-	83.16
(ii) Loans		73.16	-	73.16	45.65	-	45.65
(g) Deferred Tax Assets (Net)		-	-	-	-	-	-
(h) Other non-current assets		36.72	-	36.72	41.16	-	41.16
Current Assets							
(a) Inventories		7,902.76	-	7,902.76	8,341.88	(9.95)	8,331.93
(b) Financial Assets							
(i) Trade receivables		4,324.34	-	4,324.34	4,101.19	-	4,101.19
(ii) Cash and cash equivalents		448.85	-	448.85	407.41	-	407.41
(iii) Bank Balances other than (ii) above		163.03	-	163.03	187.44	-	187.44
(iv) Other Financial Assets		667.68	-	667.68	419.93	-	419.93
(c) Current Tax Assets (Net)		-	-	-	51.45	-	51.45
(d) Other current assets		1,212.40	-	1,212.40	1,276.76	-	1,276.76
TOTAL ASSETS		21,119.57	(187.15)	20,932.42	20,831.07	3.11	20,834.18
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity Share Capital		1,079.73	-	1,079.73	1,079.73	-	1,079.73
(b) Other Equity	A1	5,568.79	(327.12)	5,241.67	5,699.73	(112.84)	5,576.89
Equity attributable to the owners of company							
Non Controlling Interest		24.61	-	24.61	25.63	-	25.63
TOTAL EQUITY		6,673.13		6,346.01	6,805.09		6,682.25
LIABILITIES							
Non current liabilities							
(a) Financial liabilities							
(i) Borrowings		254.62	-	254.62	36.25	-	36.25
(b) Deferred tax liabilities (net)		624.85	-	624.85	630.58	-	630.58
(c) Other non-current liabilities	A1	-	139.97	139.97	-	125.95	125.95
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		8,623.74	-	8,623.74	7,392.45	-	7,392.45
(ii) Trade payables		2,642.42	-	2,642.42	3,635.45	-	3,635.45
(iii) Other financial liabilities		1,277.10	-	1,277.10	1,076.41	-	1,076.41
(b) Other current liabilities		933.50	-	933.50	1,181.40	-	1,181.40
(c) Provisions	A1	81.10	-	81.10	73.44	-	73.44
(d) Current Tax Liability (Net)		9.11	-	9.11	-	-	-
TOTAL EQUITY AND LIABILITIES		21,119.57	(187.15)	20,932.42	20,831.07	3.11	20,834.18

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

(iii) Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Particulars	Note No.	Previous GAAP Rs. in Lacs	Adjustments Rs. in Lacs	Ind AS Rs. in Lacs
INCOME:				
Revenue from Operations		20,141.86	-	20,141.86
Other income	A1	338.74	17.36	356.10
Total Income		20,480.60	17.36	20,497.96
EXPENSE:				
Cost of materials consumed	A1	13,678.64	-	13,678.64
Purchase of stock-in-trade		648.01	-	648.01
Changes in inventories of finished goods, work-in-progress and stock-in-trade		-347.59	-	-347.59
Employee Benefits Expenses	A1	720.21	3.28	723.49
Finance costs		705.82	-	705.82
Depreciation and Amortization Expenses	A1	581.84	0.24	582.08
Other Expenses		3,968.19	-	3,968.19
Total Expenses		19,955.12	3.52	19,958.64
Profit before Exceptional items and Tax		525.48	13.84	539.32
Exceptional Items		-	-	-
Profit before Tax		525.48	13.84	539.32
Tax expense:		204.19	1.14	205.33
1. Current Tax		225.00	-	225.00
2. Deferred Tax	A1	4.60	1.14	5.74
3. Tax adjustment relating to earlier years		(25.41)	-	(25.41)
Profit for the period		321.29	12.70	333.99
Other comprehensive income		-	-	-
(i) Items that will not be reclassified to profit or loss		-	2.14	2.14
Re-measurements of the defined benefit plans		-	3.28	3.28
(ii) Income tax related to items that will not be reclassified to profit		-	1.14	1.14
Total comprehensive income for the period		321.29	14.84	336.13

(iv) Reconciliation of Total Equity as at April 1, 2016 and March 31, 2017

Particulars	Note No.	As at March 31, 2017		As at April 01, 2016	
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
Net worth as per previous GAAP		-	6,779.46	-	6,648.52
Revaluation Reserve adjusted with carrying amount in terms of para 91 of AS-10		-	-	(187.15)	-
Restatement of government grant (DLS)		(139.97)	-	(139.97)	-
Depreciation on Fixed assets		0.24	-	-	-
Deferral of income of government grant		17.36	-	-	-
Others		-	-	-	-
Total Impact		-	(122.37)	(327.12)	-
Net worth as per Ind AS		-	6,657.09	-	6,321.40

(v) Adjustments to Cash Flow Statements as at March 31, 2017

The Ind AS adjustments are non-cash adjustments. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

Notes to Reconciliations:

The following explains the material adjustments made during transition from previous GAAP to Ind AS:

1. Trade receivable

Under previous GAAP the company has recognized provision on trade receivable based on expectation of company. Under Ind AS, the company provides loss allowance on receivable based on the expected Credit Loss (ECL) model which is measured following the "simplified approach at amount equal to lifetime expected credit loss in addition to debts identified as bad/doubtful at each reporting date.

2. Borrowings

Under previous GAAP transaction cost were recognized in Statement of Profit and Loss. Under Ind AS financial liability in form of borrowing have been measured at amortized cost using Effective Interest Method. However, these has not resulted in any adjustments required to be made.

3. Government Grants

Under previous GAAP, Government Grants in respect of Property, Plant and Equipment was presented as a deduction from Property, Plant and Equipment. Under Ind AS, Government Grants in respect of Property, Plant and Equipment need to be presented as deferred income in profit or loss on a systematic basis over the useful life of the asset.

Under Ind AS, Import duty waivers for capital assets purchased under Export Promotion Credit Guarantee (EPCG) schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

On the transition date, the Company, therefore, recorded an adjustment to measure such property, plant and equipment in accordance with Ind AS 16.

Under Previous GAAP, cost of the property, plant and equipment was recorded at the cash price paid to acquire such assets. Consequently, depreciation relating to the above difference in the cost of property, plant and equipment under Ind AS and Previous GAAP has also been adjusted.

4. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has not resulted in any adjustment to deferred tax recognised under previous GAAP.

5. Remeasurement of Defined benefits liabilities

Under previous GAAP the company recognized remeasurement of defined benefits plans under profit and loss. Under Ind AS, remeasurement of defined benefits plans are recognized in Other Comprehensive Income.

6. Retained Earnings.

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind-AS transition adjustments.

7. Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

36 Expenditure on Research and Development

Particulars	Rs. in Lacs	
	2017-18	2016-17
Capital Expenditure	-	-
Revenue Expenditure	1.65	2.60
Total	1.65	2.60

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

37 Disclosure pursuant to Ind AS 17 "Leases":

(a) Where the company is Lessor

i. Operating Lease:

The company has not entered into any non-cancellable Operating Lease.

ii. Finance Lease: The Company has not entered into any finance lease.

(b) Where the company is Lessee

i. Finance Lease:

The company has not entered into any finance lease arrangement.

ii. Operating Lease: The Company has not entered into any non-cancellable operating leases.

38 Financial Instruments

(i) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Debt	7,924.41	7,539.86	10,752.43
Less: Cash and cash equivalent	144.88	407.41	463.40
Net debt (A)	7,779.53	7,132.45	10,289.03
Total equity (B)	7,034.10	6,656.65	7,314.23
Debt Equity Ratio (A/B)	1.11	1.07	1.41

(ii) Categories of financial instruments

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

a) The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

b) The fair value of the long-term borrowings carrying floating rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Company (since the date of inception of the loans).

c) The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

d) Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

(Rs. in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial Assets						
Financial assets measured at fair value						
Investments measured at						
i. Fair value through other comprehensive income	-	14.37		14.37		18.77
ii. Fair value through profit and loss	-	0.52		0.52		0.52
Financial assets measured at amortized cost						
Trade Receivables	5,975.67		4,101.19		4,878.78	
Cash and cash equivalents	144.88		407.41		463.40	
Bank balances other than cash and cash equivalents	209.63		187.44		163.15	
Other financial assets	1,339.13		591.25		818.90	
Total	7,669.31	14.89	5,287.29	14.89	6,324.23	19.29
Financial Liabilities						
Financial liabilities measured at amortized cost						
Borrowings	7,924.41	-	7,539.86	-	10,752.43	-
Trade payables	3,959.96	-	3,635.45	-	3,875.63	-
Other financial liabilities	902.53	-	965.25	-	993.35	-
Total	12,786.90	-	12,140.56	-	15,621.41	-

(iii) Income, expenses, gains or losses on financial instruments

Rs. in Lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Financial assets measured at amortized cost		
Allowances for doubtful receivables	8.77	-
Financial assets measured at fair value through Profit and Loss	-	-
Financial assets measured at fair value through Other Comprehensive Income	-	-

Fair value measurements recognized in the balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

SUPER TANNERY LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

(iii) Financial risk management objectives:

The Company's principal financial liabilities comprise loan from banks and financial institutions and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

(a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade and Other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Expected credit loss assessment for customers:

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	(Rs. in Lakhs)	
	2017-18	2016-17
Impairment loss as per ECL recognised/(reversed)	8.77	-
Additional Provision / write off	13.48	-
Amount debited to Profit and Loss	22.25	-

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and derivative contracts.

The Company held cash and cash equivalents of Rs. 144.88 Lacs at March 31, 2018 (March 31, 2017: Rs. 407.41 Lacs, April, 2016 : Rs. 463.40 Lacs). Cash and cash equivalents are held with reputable and credit-worthy banks.

Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

(b) Market risk:

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

(i) Foreign currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Company's exposure is mainly denominated in USD, GBP and Euro. The exchange rates have changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks. The Company uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rate.

The Company do not use derivative financial instruments for trading or speculative purposes.

(ii) Interest rate risk:

Interest rate risk is measured by using the cash flows sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

SUPER TANNERY LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018**

Interest rate sensitivity analysis:

As at March 31, 2018 interest bearing financial liability (secured loan from banks) stood at Rs. 7924.41 Lacs, was subject to variable interest rates. Increase/decrease of 50 basis points in interest rates at the balance sheet date would result in decrease/increase in profit before tax of Rs. 39.62 Lacs.

The risk estimates provided assume a parallel shift of 50 basis points interest rate. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Fair value of financial instruments:

All financial assets are initially recognized at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non-derivative financial assets are carried at fair value, gains and losses on re-measurement are recognized directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognized directly in the consolidated statement of profit and loss. Financial assets are designated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognized at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortized cost.

(III) Liquidity risk:

The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. The Company has a overdraft facility with banks to support any temporary funding requirements.

The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

Liquidity table:

Liquidity tables drawn up based on the cash flow of financial liabilities based on the earliest date on which the Company can be required to pay is disclosed at Note no. 44.

(IV) Other price risk:

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31st March 2018. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

(V) Equity price sensitivity analysis:

There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

39 Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent assets":

The company has recognised contingent liabilities as disclosed in Note 32 above and as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the year.

40 Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

There are no such asset held for sale and discontinued operations as on March 31, 2018.

Super Tannery Ltd
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2018

41. Disclosure of related parties/related party transactions/balances pursuant to Ind AS 24 "Related Party Disclosures"

- (A) Name of Related Parties and nature of relationship
- | | | | |
|--|--|--|----------|
| I. Joint Ventures | | Nil | |
| II. Associates with whom transactions were carried out during the year | | | |
| a) Secure Safety Limited | | Proportion of voting power held by co. | |
| | | 31.03.18 | 31.03.17 |
| | | 45.62% | 45.62% |
| | | | 01.04.16 |
| | | | 45.62% |
- iii. Key Management Personnel (KMP) & Relatives:
- a) Mr. Iftikharul Amin – Managing Director
 - b) Mr. Iqbal Ahsan – Jt. Managing Director
 - c) Mr. Imran Siddiqui – Whole time Director
 - d) Mr. Arshad Khan – Whole time Director
 - e) Mr. Mohd Imran – Whole time Director
- iv. Others: Enterprise over which KMP or relatives of KMP are able to exercise significant influence:
- a) Super Shoes Ltd
 - b) Amin Tannery Ltd
 - c) Amin Colonizers & Developers Ltd
 - d) Banhar Industrial Pollution Control Company

(B) (i) Disclosure of related party transactions during the year [in ordinary course of business at arm length price] Summary:

Transactions	Associates		Other related parties		KMP and Relatives	
	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended
	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16
Purchases of materials / finished goods	-	-	-	0.28	-	-
Sale of materials / finished goods	-	-	-	199.51	-	-
Rent received	-	-	-	0.72	-	-
Remuneration/Sitting fee	-	-	-	-	118.99	119.71
Receivables (Net)	15.05	-	2.56	30.54	28.29	-
Payables (Trade payable & other liabilities)	-	-	40.07	0.28	-	-
Investments	-	-	-	-	1.04	24.33
						33.90
						32.87

refer Note No. 3.

(B) (ii) Disclosure of related party transactions during the year [in ordinary course of business at arm length price] Summary:

Transactions	Associates		Other related parties		KMP and Relatives	
	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended
	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16
Purchases of materials / finished goods	-	-	-	0.28	-	-
Sale of materials / finished goods	-	-	-	199.51	-	-
Rent received	-	-	-	0.72	-	-
Remuneration/Sitting fee	-	-	-	-	118.99	119.71
Receivables (Net)	15.05	-	2.56	30.54	28.29	-
Payables (Trade payable & other liabilities)	-	-	40.07	0.28	-	-
Investments	-	-	-	-	1.04	24.33
						33.90
						32.87

(B) (i) Detail of related party transactions during the year [in ordinary course of business at arm length price]

Name of related party & Transactions	Associates		Other related parties		KMP and Relatives	
	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended	As at / for the year ended
	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16
Purchases of materials / finished goods	-	-	-	0.28	-	-
Super Shoes Ltd	-	-	-	0.28	-	-

Name of related party & Transactions	Associates		Other related parties			KMP and Relatives		
	31.03.18	31.03.17	31.03.18	31.03.17	01.04.16	31.03.18	31.03.17	01.04.16
Sale of materials / finished goods								
Bosini Frills LLP	-	-	199.51	36.32	-	-	-	-
	-	-	199.51	36.32	-	-	-	-
Rent received								
Bosini Frills LLP	-	-	0.72	-	-	-	-	-
	-	-	0.72	-	-	-	-	-
Remuneration/sitting fee								
Mr. Iftekharul Amin	-	-	-	-	-	26.00	26.58	-
Mr. Iqbal Ahsan	-	-	-	-	-	26.58	26.58	-
Mr. Imran Siddique	-	-	-	-	-	7.98	7.58	-
Mr. Arshad Khan	-	-	-	-	-	4.59	4.59	-
Mr. Mohd Imran	-	-	-	-	-	4.37	4.59	-
Mr. Vaquaril Amin	-	-	-	-	-	26.58	26.58	-
Mr. Mubashirul Amin	-	-	-	-	-	7.43	7.43	-
Mr. Taweesul Amin	-	-	-	-	-	7.43	7.43	-
Mr. Khalil Sayeed	-	-	-	-	-	1.77	1.82	-
Mr. Umairul Amin	-	-	-	-	-	4.59	4.59	-
Mr. R.K. Awaasthi	-	-	-	-	-	2.07	1.94	-
	-	-	-	-	-	118.99	119.71	-
(C) Outstanding balances with related parties:								
(i) Receivables (Net)								
Secure Safety Ltd	25.05	-	-	-	2.56	-	-	-
Bosini Frills LLP	-	-	30.54	28.29	-	-	-	-
	25.05	-	30.54	28.29	-	-	-	-
(ii) Payables (Trade payable & other liabilities)								
Secure Safety Ltd	-	-	-	-	40.07	-	-	-
Super Shoes Ltd	-	-	0.28	-	-	-	-	-
Banhar Industrial Pollution Control Co.	-	-	-	-	-	0.91	-	-
Industrial Infrastructure Services Ltd	-	-	-	-	-	0.13	-	-
Mr. Iftekharul Amin	-	-	-	-	-	9.50	9.55	9.52
Mr. Iqbal Ahsan	-	-	-	-	-	9.55	9.55	9.52
Mr. Imran Siddique	-	-	-	-	-	1.40	1.40	0.80
Mr. Arshad Khan	-	-	-	-	-	0.56	0.56	0.53
Mr. Mohd Imran	-	-	-	-	-	0.94	0.52	0.94
Mr. Vaquaril Amin	-	-	-	-	-	-	9.55	9.55
Mr. Mubashirul Amin	-	-	-	-	-	0.85	0.85	0.74
Mr. Taweesul Amin	-	-	-	-	-	0.85	0.85	0.74
Mr. Khalil Sayeed	-	-	-	-	-	0.23	0.23	0.22
Mr. Umairul Amin	-	-	-	-	-	0.56	0.56	0.44
Mr. R.K. Awaasthi	-	-	-	-	40.07	0.28	0.29	0.27
	-	-	-	-	40.07	1.04	34.33	32.87

(D) No amount has been written off/back or provided as doubtful debts during the year in respect of related parties.

(E) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19. Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

SUPER TANNERY LIMITED

42 Disclosure pursuant to Ind AS 108 "Operating Segment"

The company is operating mainly in single segment i.e., Leather and leather products, hence no disclosure is required in terms of Ind AS 308.

43 Additional information pursuant to Schedule III to the Act for the year ended March 31, 2018 of enterprises consolidated as subsidiary and associates

Name of the company	Net Assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (Rs. In Lacs)	As % of consolidated profit or loss	Amount (Rs. In Lacs)	As % of consolidated other comprehensive income	Amount (Rs. In Lacs)	As % of consolidated total comprehensive income	Amount (Rs. In Lacs)
Parent Company								
Super Tannery Limited	105.97%	7,480.53	125.87%	406.66	100.00%	12.67	23.66%	419.33
Subsidiaries - Foreign								
Super Tannery (U.K.) Ltd.	-8.04%	-567.74	-41.57%	-134.32	-	-	-7.58%	-134.32
Super Tannery UAE FZE	4.32%	305.13	29.20%	94.35	-	-	5.32%	94.35
Super Italia SRL	0.09%	6.42	-0.21%	-0.68	-	-	-0.04%	-0.68
Subsidiaries - Domestic								
Aarifi Tanners Ltd	1.82%	128.18	-0.93%	-3.01	-	-	-0.17%	-3.01
Super Corporation Limited	0.23%	16.38	0.03%	0.09	-	-	0.01%	0.09
Total Subsidiaries		7,368.90		363.09	100%	8.89		375.76
Non controlling interest in all the subsidiaries	0.35%	24.87	0.95%	3.06	0.00%	0	0.17%	3.06
Associates (on the basis of last audited balance sheet as at 31.03.2017)								
Secure Safety Ltd	0.91%	64.45	-0.95%	-3.07	-	-	-0.17%	-3.07
Total Associates		64.45		-3.07	-	-		-3.07
C/S Adjustment and elimination	-5.66%	-399.25	-12.38%	-39.99	-	-	-2.26%	-39.99
Total		7,058.97		323.09		12.67		1,772.04

44 Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements"

(a) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

Particulars	Note No.	Rs in Lacs								
		As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Borrowings		7,964.58	59.73	7,924.41	7,503.61	36.25	7,539.86	10,497.80	254.03	10,751.83
Trade and other payables		3,959.96	-	3,959.96	3,635.45	-	3,635.45	3,875.63	-	3,875.63
Other financial liabilities		902.53	-	902.53	965.25	-	965.25	993.35	-	993.35

(b) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Particulars	Note No.	Rs in Lacs								
		As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories		7,381.22	-	7,381.22	8,332.39	-	8,332.39	8,881.59	-	8,881.59
Trade Receivable		5,975.67	-	5,975.67	4,101.19	-	4,101.19	4,878.78	-	4,878.78
Other Financial Assets		1,339.13	-	1,339.13	591.25	-	591.25	818.50	-	818.50
Other Current Assets		1,115.99	-	1,115.99	1,105.45	-	1,105.45	1,258.50	-	1,258.50

45 Figures of the previous year have been regrouped/rearranged wherever required in order to make them comparable with those of current year. Figures have been rounded off to the nearest rupee in lacs.

As per our attached report of even date

For Rajeev Prasad & Associates
Chartered Accountants
Firm Registration No. 008905C

For and on behalf of the Board

Mohd. Imran
Director (Finance)

Ritharaj Amin
Managing Director

Rajeev Kapoor
Partner
M. No. 077827

R. K. Awasthi
Company Secretary

Place: Rampur
Date: May 30, 2018

SUPER TANNERY LIMITED

CIN:L19131UP1984PLC006421

Regd. Office :187/170,Jajmau Kanpur-208010

Please complete the attendance slip and hand it over at the entrance of Meeting Hall and also bring your copy of the enclosed Annual Report.

ATTENDANCE SLIP

I hereby record my presence at the 34th Annual General Meeting of the company held on 27th September 2018.

Regd. Folio No.		DP ID*	
No.of shares		Client ID*	

Name of the Share holder (in block letters)

Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.

SUPER TANNERY LIMITED

CIN:L19131UP1984PLC006421

Regd. Office :187/170,Jajmau Kanpur-208010

PROXY FORM / FORM NO:MGT-II

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules,2014)

Name of the member(s):		e-mail Id:	
Registered Address		Folio No/* Client Id:	
		*DP Id:	

I/We, being the member(s) of _____ of _____ shares of Super Tannery Limited, hereby appoint:

1. _____ of _____ having e-mail id _____ or failing him

2. _____ of _____ having e-mail id _____ or failing him

3. _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the

34th Annual **General Meeting** of the Company, to be held on Thursday, September 27 2018 at 09.A.M. at 187/170 Jajmau, Kanpur,

208010 and at any adjournment thereof in respect of such resolutions as are indicated below:

SUPER TANNERY LIMITED

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
Ordinary Business		
1. Adoption of Audited Balance Sheet and Statement of Profit and Loss for the year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors.		
2. Re-appointment of Mr. Imran Siddiqui, who retires by rotation and being eligible, offers himself for re-appointment.		
3. Appointment of M/sRejeev Prem & Associates Chartered Accountants (Registration No (008905C) as auditors of the Company and fix their remuneration.		
SPECIAL BUSINESS		
4. Donation to Charitable and other funds not directly related to the business of the Company.		

*Applicable for investors holding shares in electronic form.

Signed _____ day of _____ 2018

Signature of Shareholder

Affix
Revenue
Stamp

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

NOTE :

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

A Proxy need not be a member of the Company.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person of shareholder.

This is only optional. Please put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

SUPER TANNERY LIMITED

CIN : L19131 UP 1984 PLC 006421

Registered Office : 187/170, Jajmau Road, KANPUR - 208 010.

Phone No. : 7522000370, 371, 372 Fax No. : 91-512-2460792

Website : www.supertannery.com E-mail : share@supertannery.com

BALLOT FORM

1. Name and Registered address of the Sole/First named Shareholder (In block letters)
2. Name of the Joint Holders, if any
3. Registered Folio No./DP ID No* (*Applicable to investors holding Shares in Demat Form)
4. Number of Equity Shares held
5. I/We hereby exercise my /Our Vote(s) in respect of the following resolutions to be passed at the 34th Annual General Meeting of the Company to be held on Thursday, 27th September, 2018 for the business stated in the notice dated 11th August, 2018 by sending my/our assent or dissent to the said Resolution by placing the (X) at the appropriate box below.

Resolutions No.	Please mention No. of Shares		
	For	Against	Abstain
ORDINARY BUSINESS			
1. Adoption of Audited Balance Sheet and Statement of Profit and Loss for the year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors' thereon.			
2. Re-appointment of Mr.Imran Siddiqui who retires by rotation and being eligible, offers himself for re-appointment.			
3. Appointment of M/s Rajeev Prem & Associates Chartered Accountants as Auditor of the Company and fix their remuneration.			
SPECIAL BUSINESS :			
4. Donation to Charitable and othefunds not directly related to the business of the Company.			

*Applicable for investors holding shares in electronic form.

Place- Kanpur
Date.27.09.2018

Signature of Shareholder

Note:

1. This form should be completed and signed by the members. In case of Joint holding this form should be completed and signed (as per the specimen signature(s) registered with the Company) by the first named member and in his absence, by the next named member. Unsigned ballot form will be rejected.
2. The Vote may be accorded by recording the assent in column 'For' or dissent in column 'AGAINST' by placing an X mark in the appropriate Column.
3. In case of Shares held by Companies, Trust, Society, etc. the duly completed ballot Form should be accompanied by a certified copy of Board resolution.
4. The Scrutinizers decision of the validity of the ballot form shall be final.
5. The Company is also offering e-voting facility as an alternate, for all the members to enable them to cast their vote electronically instead of dispatching physical ballot form. The detailed procedure of e-voting is sent to you along with notice of this Annual General Meeting.
6. If a member has opted for e-voting, then he/she should not vote by physical ballot also and vice-versa. However, in case members cast their vote both via physical Ballot and e-voting then voting through e-voting shall prevail and voting done by physical ballot be treated as invalid.
7. A member desiring to exercise vote by physical ballot may complete this ballot form and send it to the Scrutinizer Mr.K.N.Shridhar & Associates 111&108, Chandralok Complex Birhana Road Kanpur 208001.
8. Members may please note to bring copy of this ballot form to the meeting hall if they are coming to attend the Annual General Meeting personally.

BOOK POST

If Undelivered, Please return to :
SUPER TANNERY LIMITED
187/170, Jajmau Road, Kanpur-208010