

SUPER TANNERY LIMITED

CIN No.:L19131UP1984PLC006421

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



33rd ANNUAL REPORT 2016-17

CONTENTS

Company Information	1
Notice	2
Directors' Report	7
Management Discussion & Analysis	19
Report on Corp. Social Responsibility	22
Form MGT-9	23
Form No. MR-3	29
AOC-1	32
AOC-2	34
Auditors' Report	35
Report on Corporate Governance	41
Balance Sheet	42
Profit & Loss Account	43
Cash Flow Statement	44
Consolidated Financial Statements	64
Attendance Slip and Proxy Form	88

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
Mr.Y.S.Katiyar, - 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 Kapoor Tandon & Co.
Chartered Accountants
Kanpur

Plant Locations

a. Chrome Tannery :
b. Goat Tannery :
c. Sole Tannery :
d. Footwear Division :
e. Fashion Shoe Division :
f. Safety Shoe Division :

Registered Office:

187/170, Jajmau Road, Kanpur 208010
Ph: 0512-3935747, 3935748, 3935749
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 Committees

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

187/170, Jajmau Road, Kanpur – 208010
Leather Technology Park, Banthar, Unnao, U.P.
(i) Mona Nagar, Jajmau, Kanpur – 208010
(ii)187/170, Jajmau Road, Kanpur – 208010
169, Jajmau, Kanpur – 208010
6, Akrapur, Unnao – 209801
Leather Technology Park, Banthar, Unnao, U.P.

Registrar and Share transfer Agent:

Karvy Computershare 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

^{33rd} **Annual General Meeting to be held on Friday, the 29th September, 2017 at the Registered Office of the Company at 9:00 a.m.**

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the members of Super Tannery Limited will be held on Friday the 29th September 2017 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 2017 the Balance Sheet as on that date and the reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Arshad Khan, who retires by rotation and being eligible offers himself for re-appointment?
3. To appoint a Director in place of Mr. Mohd.Imran, who retires by rotation and being eligible offers himself for re-appointment?
4. To appoint M/S Rajeev Prem & Associates Chartered Accountants as Auditor in place of M/S Kapoor Tandon & Co. a retiring Auditors for a term of 5 years from the conclusion of the 33rd Annual General Meeting, and fix their remuneration.

SPECIAL BUSINESS:

5. 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, 2018.”

By Order of the Board of Directors

for **Super Tannery Limited**

R.K. Awasthi

Company Secretary

Place : Kanpur
Date : 14th Aug. 2017

NOTES :

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.

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.

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses is annexed hereto.

The Register of Members and Share Transfer Books of the Company shall remain closed from 23rd September to 24th September 2017 (both inclusive date).

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.

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.

Members holding Shares in electronic form are requested to provide their Client-ID and DP-ID numbers at the meeting for easy identification.

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.

The Shares of the Company are compulsorily tradable in demat form. The equity Shares of the Company have been assigned ISIN INE460D01020. Members are requested to get their Shares dematerialized at the earliest to make them tradable.

Pursuant to the provisions of Section 205-A of the Companies Act, 1956 and introduction of Section 205-C (Now section 124 of Companies Act, 2013) by the Companies (Amendment) Act, 1999, 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 2007-2008 have been transferred to the "Investor Education and Protection Fund".

Dividend unpaid or unclaimed for the Financial Year 2009-10 may be claimed by the shareholders on or before 5th November 2017. 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.

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.

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.

Members' proxies are requested to bring attendance slip duly completed for attending the meeting.

Brief Resume of all Directors including 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.

Voting through electronic means:

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 33rd Annual General Meeting (AGM) by electronic means through e-voting services provided by Karvy:

The instructions for e-voting are as under:

In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/ Depository Participants (s)]:

Launch internet browser by typing the URL: <http://evoting.karvy.com>.

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.

After entering these details appropriately, click on "LOGIN".

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.

You need to login again with the new credentials.

On successful login, the system will prompt you to select the "EVENT" i.e., Super Tannery Limited ".

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.

Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.

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.

You may then cast your vote by selecting an appropriate option and click on "Submit".

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).

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 " 33rd Annual General Meeting".

I. 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].

User ID and initial Password as provided below.

Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.

In case of any queries relating to e-voting please visit Help & FAQ section of <http://evoting.karvy.com> (Karvy Website).

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).

The e-voting period commences on 26.09.2017 (9.00 AM) and ends on 28.09.2017 (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 23.09.2017, 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.

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 23.09.2017.

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.

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.

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).

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.5

It has been the policy of the company to contribute to 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 the prescribed limit, without the approval of the members. The aggregate of such contribution during the year ending 31.03.2018 is likely to exceed the limit as prescribed by the Act. Therefore, your permission is requested.

The Directors recommend the resolution set out in item no 5 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 the trust which receives the fund, is interested or concerned in this resolution.

Place : Kanpur
Date: 14th Aug 2017

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

DIRECTORS' REPORT

Dear Shareholder,

The Directors of your Company have pleasure in presenting the 33rd **Annual Report** on the business and operations of the Company together with Audited Financial Statements for the year ended **31st March 2017**:

FINANCIAL RESULTS		Year ended 31.03.2017 Rs in lacs	Year ended 31.03.2016 Rs in lacs
PROFITS:			
Profit before Interest, Depreciation & extra-ordinary items		2080.16	2057.00
Less:	Interest	907.87	845.58
	Depreciation	729.15	726.41
	Exchange Fluctuation Loss/(gains)	(141.19)	(226.51)
	Bad Debts written off	00.00	0.44
Profit before tax		584.33	711.07
Less:	Provision for current tax	225.00	270.00
	Provision for deferred tax	5.73	(24.33)
Profit after tax		353.60	465.40
Add:	Profit brought forward from previous year	660.76	603.72
	Income Tax relating to earlier Years	(25.40)	108.38
	Adjustment related to fixed Assets	-----	495.34
Profit available for appropriation		1039.76	960.74

APPROPRIATIONS:

(a) Transfer to General Reserve		300.00
	1039.76	
(b) Proposed Dividend	0000	0000
(c) Provision for tax on Proposed Dividend	0000	0000
(d) Balance carried over to next year	1039.76	660.74
	1039.76	960.74

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, 2017.

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 "A" to this report.

OPERATIONAL REVIEW:

During the year under review, the income from operation of the company was Rs 23305.02 lacs as against Rs 23781.32 lacs during the last financial year, shows decline the operational income by Rs 476.00 lacs. Besides decline the operational income, the company's Gross Profit has marginally improved (profit before interest, depreciation and extra ordinary items) by Rs 2080 Lacs as compared to Rs 2057 lacs during the last financial year. The company overall growth is satisfactory despite recession in the market.

SUBSIDIARY COMPANIES:

The Company has six subsidiaries namely: Super Corporation Limited, Super Tannery (UK) Limited, Aarifi Tanners Limited, Super Tannery UAE FZE, Safety Solutions s.r.o 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 No.2/2011, the Profit and loss account for the year ended 31.03.2017 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 Exchanges. 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 of 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 and approval, the proceeding in the final stage.

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 WOMAN 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 2017, 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:

The particulars of Energy Conservation, Technology Absorption etc. pursuant to Section 134(3) (m) of the Companies 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.Mohd.Imran, and Mr.Arshad Khan, retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for their re-appointment. Brief resume of all the Directors, 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 REMUNRATION:

For the purpose of selection of any Director, the Nomination &Remuneration Committee identifies persons of integrity who posses' 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 2017, 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 2017 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 Solutions s.r.o, Super Italia s.r.l. and Super Tannery U.A.E., FZE

AUDITORS: M/s. Rajeev Prem & Associates Chartered Accountants, Kanpur (Registration No 008905C) have been appointed in place of retiring Auditors ,M/S Kapoor Tandon & Co. Chartered Accountants Kanpur, to hold office until the conclusion of the 2020-21 Annual General Meeting to be held in the year 2021, subject to ratification of their appointment at every Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors ,if ratified by the members at the forthcoming A.G.M. The Board of Directors recommends their appointment.

COST AUDITOR:

As requires under the Companies (Cost Accounting Records) Rules 2011, the Company filed the cost Audit Report along with Cost Compliance Report for the financial year 2013-14 in XBRL format.

Thereafter the requirement of Cost Audit report is not applicable to the Company. 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 Samir Srivastava, & Associates, Company secretary Kanpur to undertake the secretarial Audit of the Company.

The Secretarial Audit Report is annexed herewith as "annexure B"

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, GURANTEES & 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.

Place: KANPUR
Date: 14. 08.2017

On behalf of the Board of Directors
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:

	2016-17 (Rs in lacs)	2015-16 (Rs in lacs)
(a) Capital	0000	70.85
(b) Recurring	39.78	42.18
(c) Total	39.78	113.03
(d) Total R & D Expenditure as % of turnover	0.17%	0.45%

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) In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial year):

(a) Technology imported

}

(b) Year of import

}

(c) Has technology been fully absorbed ?

}

Not Applicable

(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:

	2016-17 (Rs in lacs)	2015-16 (Rs in lacs)
(a) Foreign exchange earned (FOB value of exports)	16221.18	16764.52
(b) Foreign exchange used	1816.10	1919.98

**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. 26,57,600	Post Graduate	33	06.02.1984	59	Promoter
Mr. Iqbal Ahsan	Jt.Managing Director	Rs. 26,57,600	Graduate	29	21.12.1988	56	Promoter
Mr. Veqarul Amin	Jt.Managing Director	Rs. 26,57,600	Leather Technologist	27	01.01.1990	54	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: 14.08.2017

IFTIKHARUL AMIN
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 is 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 as provided with this report 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 2017 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 comprises seven executive and four non-executive directors. During the year 2016-17, the Board met 5 times (as against the minimum requirement of four meetings) on the following dates: , 30th May 2016, 17th June 2016, 13th Aug 2016, 12th Nov 2016, and 13th Feb 2017, 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	Directorships	Other Committee Membership	Committee Chairman
Iftikharul Amin	MD	4	Yes	5	1	
Iqbal Ahsan	JMD	3	Yes	5	1	
Veqarul Amin	JMD	4	NO	4		
Imran Siddiqui	ED	4	Yes	2		
Arshad Khan	ED	4	YES			
Mohd. Imran	ED	5	YES	2		
Yogendra Singh Katiyar	ED	5	Yes			
Kumud Behari Seth	NED-I	1			3	2
P. K. Sinha	NED-I	2		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. Arshad Khan: Mr. Arshad Khan, Age 53 years is a Graduate and has been associated with the Company for the last 20 years and closely involve in the export marketing of finished leather of Company. He was introduced in the Board in the year 2000 as Additional Director and was regularized at the 16th Annual General Meeting of the Company as a whole time Director. He is liable to retire by rotation. He has vast experience of export of leather and leather products. He has visited many countries for this purpose and gained rich experience. His service is required for steering the export of the company. Mr. Khan is not director of any other company.

b. Mr. Mohd. Imran: Mr. Mohd. Imran (50 years) is a Chartered Accountant having experience in export, import, accounts, excise, customs and foreign trade matters. He is very initiative and closely associated with the company since long time. Mr. Mohd Imran is also director in Secure Safety Limited and Super Tannery (UK) Limited.

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 5 meetings were held one of which was before finalization of annual accounts. The said meetings were held on 30th May 2016, 17th June 2016, 13th Aug 2016, 12th Nov 2016, and 13th February 2017. 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	26,57,600	--	26,21,600
Mr. Iqbal Ahsan	26,57,600	--	26,21,600
Mr. Veqarul Amin	26,57,600	--	26,57,600
Mr. Imran Siddiqui	7,57,500	--	6,84,600
Mr. Mohd. Imran	4,58,700	--	4,03,350
Mr. Arshad Khan	4,58,700	--	4,23,600

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 43. No outstanding complaints were lying unresolved as on 31st March 2017. 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 spend more than 2% of the average net profit of the Company through its Hospital and Schools.

The basic aim of the Company CSR policy 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
2013-14 (AGM)	187/170 Jajmau Kanpur	30.09.2014	9.00 a.m
2014-15(AGM)	same as above	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.

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 29th September 2017 at 9:00 a.m.
Venue 187/170, Jajmau, KANPUR-208 010.

10.2 FINANCIAL CALENDAR 2016-17: (Tentative)

BOARD MEETINGS:

Results for the quarter ending 30.06.2017: 2nd week of August 2017
Results for the quarter ending 30.09.2017: 2nd week of November 2017
Results for the quarter ending 31.12.2016: 2nd week of February 2018
Results for the quarter ending 31.03.2017: Last week of May 2018 (as per Listing Agreement.)

10.3: BOOK CLOSURE DATE/ Record date: 23rd September 2017 to 24th September 2017 (both days inclusive)

10.4: Dividend: Your Directors have not recommended dividend for the year ended 31st March 2017.

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 2017-18 as applicable has been paid to the BSE.

(b)DEMAT ISIN 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 2016	4.49	3.85
May 2016	4.45	3.87
June 2016	4.50	3.90
July 2016	5.24	4.10
August 2016	4.50	4.00
September 2016	4.79	4.00
October 2016	6.30	4.16
November 2016	6.20	3.90
December 2016	5.35	4.06
January 2017	5.50	4.56
February 2017	5.20	4.44
March 2017	5.30	4.25

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 31.03.2017

Sl. No.	Description	Cases	Shares	% Equity
1	BANKS	1	3000	0.00
2	CLEARING MEMBERS	10	74211	0.07
3	DIRECTORS AND THEIR RELATIVES	10	63461434	58.77
4	H U F	127	2706883	2.51
5	BODIES CORPORATES	121	4000139	3.70
6	NRI Non-Repatriation	20	106225	0.10
7	NON RESIDENT INDIANS	79	898021	0.83
8	RESIDENT INDIVIDUALS	7368	36723337	34.01
9	FRACTIONAL SHARES	1	110	0.00
	Total:	7737	107973360	100.00

10.10:Distribution Schedule as on 31st March 2017

Category	No. of Cases	% of Cases	Total Shares	Amount	% Amount
1- 5000	6632	85.72%	14453780	14453780	13.39 %
5001- 10000	682	8.81%	4865148	4865148	4.51%
10001- 20000	209	2.70%	3017861	3017861	2.80%
20001- 30000	77	1.00%	1976484	1976484	1.83%
30001- 40000	26	0.34%	906426	906426	0.84%
40001- 50000	33	0.43%	1529385	1529385	1.42%
50001- 100000	34	0.44%	2391305	2391305	2.21%
100001 & Above	44	0.57%	78832971	78832971	73.01%
TOTAL	7737	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 87.49% of the equity shares issued by the Company have been dematerialized up to 31st March 2017

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) Goat Tannery : Leather Technology Park, Banthar, Unnao, U.P.
 (c) Sole Tannery : (i) Mona Nagar, Jajmau, Kanpur-208 010.
 (ii) 187/170, Jajmau Road, Kanpur 208 010
 (d) Fashion Shoe Division : 6, Akrapur, Unnao 209 801
 (e) Footwear Division : 169, Jajmau, Kanpur-208 010.
 (f) Safety Shoe Division : Leather Technology Park, Banthar, Unnao, U.P.

10.14: ADDRESS FOR INVESTORS' CORRESPONDENCE:

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: 0512-3935747, 3935748, 3935749 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 2017.

Kanpur:14.08.2017

IFTIKHARUL AMIN
Managing Director

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.

Place: Kanpur
Kanpur:14.08.2017

IFTIKHARUL AMIN
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 and put up in every Board Meeting. 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 and report to the Board in every Board Meeting in support of best practices for internal control, standard operating norms and guidelines are being issued. The Company also incorporates 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 500 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 30 years.

Fair Participation

Asia Pacific Leather fair, Hong Kong
Lineapelle, Bologna, Italy
Moda, Birmingham, United Kindom
All China Leather Exhibition, Shanghai , China
A + AFair, 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 creative 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 proposed to be 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 31.03.2016**

[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.0512-3935747,3935748,3935749.
(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, Distt. 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 th Product/ service	% to total turnover of the company
1	Finished Leather, Leather Shoes & Components	2990	100
2	Other Leather Products.	2912	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. 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 Colony, Jajmau Kanpur	U19112UP2013PLC061542	Subsidiary	52	129
2.	Aarifi Tanners Ltd. 187/170 Jajmau Kanpur	U19112UP1996PLC019255	Subsidiary	82.52	129
3.	Super Tannery (U.K.)Ltd.	N.A	Subsidiary	100	129
4.	Safety Solutions s.r.o.	N.A	Subsidiary	100	129
5.	Super Tannery UAE FZE	N.A	Subsidiary	100	129
6.	Super Itallia SRL	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 2016				No. of Shares held at the end of the year 31.03.2017				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian g) Individual/ HUF h) Central Govt i) State Govt (s) j) Bodies Corp. k) Banks / FI l) Any Other....	63461434	Nil	63461434	58.78	63461434	Nil	63461434	58.78	Nil
Sub-total (A) (1):-									
(2) Foreign a)NRIs-Individuals b)Other Individuals c)Bodies Corp. d)Banks / FI Any Other....	63461434	Nil	63461434	58.78	63461434	Nil	63461434	58.78	Nil
Sub-total (A) (2) :-									
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	63461434	Nil	63461434	58.78	63461434	Nil	63461434	58.78	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	3000	3000	00	Nil	3000	3000	00	Nil
b) Banks / FI									
c) Central Govt									
d) State Govt (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total	Nil	3000	3000	00	Nil	3000	3000	00	00

Category of Shareholders _	No. of Shares held at the beginning of the year 1st April 2016				No. of Shares held at the end of the year 31.03.2017				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) (1):-									
2.Non-Institutions									
a) Bodies Corp.									
i) Indian	4047180	2814000	6861180	6.35	1186139	2814000	4000139	3.70	2.65
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	16199934	10854300	27054234	25.06	19087063	10690800	29777863	27.58	2.52
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	9956916	Nil	9956916	9.22	9652357	Nil	9652357	8.94	0.28
c) Others (specify)	636486	110	636596	0.59	1076457	2110	1078567	1.00	0.41
Sub-total									
(B) (2):-									
Total Public Shareholding									
(B)=(B)(1)+ (B)(2)	94301950	13671410	107973360	100	94463450	13509910	107973360	100	
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	94463450	13509910	107973360	100	00

(ii) Shareholding of the Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Share holding at the end of the year 31.03.2017			% change in shareholding 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 AMIN	17883900	16.56	7.09	17883900	16.56	7.09	00
2.	IQBAL AHSAN	9142502	8.47	8.47	9142502	8.47	8.47	00
3.	IFTIKHARUL AMIN	9080432	8.41	8.41	9080432	8.41	8.41	00
4.	MUBASHIRUL AMIN	4590000	4.25	00	4590000	4.25	00	00
5.	UMAIRUL AMIN	4590000	4.25	00	4590000	4.25	00	00
6.	TANVEERUL AMIN	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 01.04.2016		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	No Change	No Change	No Change	No Change
2.	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
3.	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	1149320	1.06
2.	Renu Devi Patni	1200000	1.11	1293348	1.20
3.	Mahendra Girdharilal	1077320	1.00	1077320	1.00
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	362010	0.34
	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 end 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 (or on the date of separation, if separated during 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	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year		00	00	00
i) Principal Amount	10752.43			
ii) Interest due but not paid	00			
iii) Interest accrued but not due	4.57			
Total (i+ii+iii)	10757.00	00	00	00
Change in Indebtedness during the financial year				
- Addition				
- Reduction				
Net Change		00	00	00
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		00	00	00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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							
2.	Stock Option							
3.	Sweat Equity							
4.	Commission - as % of profit - others, specify...							
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 the Others

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		
3.	Independent Directors -Fee for attending board committee meetings -Commission -Others, please specify 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	

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
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 u/s 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/ PUNISHMENTS/ 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					

ANNEXURE-B
Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017.

[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, 2017. 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,2017 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:

Samir Srivastava & Associates

Name of Company Secretary in Practice/Firm:

ACS No. 28528 C P No: 10679

Date : 14.08.2017

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. No	Particulars	Details					
	Name of the subsidiary	S.T.U.K LTD	SAFETY SOLUTION S.R.O.	AARIFI TANNERS LTD.	SUPER CORPORATI ON LTD	SUPER ITALIA SRL	SUPER TANNERY UAE FZE
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP	EURO	INR	INR	EURO	AED
	Share capital	Rs.1.52	Rs.4.65	Rs.146.07	Rs.5.00	Rs.0.75	Rs.30.11
	Reserves & surplus	Rs.(434.94)	Rs.(44.11)	Rs.(24.25)	Rs. 0.09	Rs. 0.05	Rs.32.71
	Total assets	Rs.212.40	Rs.6.58	Rs.135.07	Rs.5.39	NIL	Rs.350.89
	Total Liabilities	Rs.645.82	Rs.46.04	Rs.9.65	Rs.0.30	Rs.2.49	Rs.288.07
	Investments	NIL	NIL	Rs.1.73	NIL	NIL	NIL
	Turnover	NIL	NIL	NIL	NIL	NIL	Rs.203.07
	Profit before taxation	Rs.73.97	Rs.3.01	Rs.(5.26)	Rs.0.13	Rs.0.05	Rs.25.65
	Provision for taxation	NIL	NIL	NIL	NIL	NIL	NIL
	Profit after taxation	Rs.73.97	Rs.3.01	Rs.(5.26)	Rs.0.13	Rs.0.05	Rs.25.65
	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
	% of shareholding	100%	100%	82.52%	52%	100%	100%

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

- Names of subsidiaries which are yet to commence operations
- 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

Name of associates/Joint Ventures	Secure Safety Ltd
Latest audited Balance Sheet Date	31.03.2016
Shares of Associate/Joint Ventures held by the company on the year end No.	6,99,300
Amount of Investment in Associates/Joint Venture	Rs.69,93,000
Extend of Holding%	46.62%
Description of how there is significant influence	No Influence
Reason why the associate/joint venture is not consolidated	N.A
Net worth attributable to shareholding as per latest audited Balance Sheet	-
Profit/Loss for the year	Rs.(-) 518078
Considered in Consolidation	Rs.(-) 241528
Not Considered in Consolidation	Rs.(-) 276550

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:
N.A

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

Kapoor Tandon & Co.

Chartered Accountants

H-118, 11th Floor, Himalaya House,
23 Kasturba Gandhi Marg,
New Delhi - 110 001



Branches

- 24/57, First Floor, Birahana Road, Kanpur - 208 001
- Flat No. 701, 7th Floor, A Wing Vardhaman Vatika-AB CHSL, Chitalsar, Manpada, G.B. Road, Thane - 400 607

INDEPENDENT AUDITORS' REPORT

To the Members of Super Tannery Limited

Report on the Standalone financial Statements

We have audited the accompanying Standalone financial Statements of M/s. Super Tannery Limited (The Company) which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone financial Statements

The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone 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 issued by the Institute of Chartered Accountants of India specified under section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone 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 financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Standalone financial Statement, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the Standalone financial Statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management as well as evaluating the overall presentation of the Standalone financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2017 and its profit and its cash flows for the year ended on that date

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 in terms of sub-section (11) of Section 143 of the Act, 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 accounts 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 and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts and returns.
 - (d) In our opinion, the Standalone financial Statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representation received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of sub-section(2) of Section 164 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";
 - (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 financial statements – Refer Note no. 39 to the 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.

Dated: 30.05.2017

Place: Kanpur

For Kapoor Tandon & Co.

Chartered Accountants

FRN: 000952C

(R.P. Gupta)

Partner

Membership No.070904

Annexure “A” to the Auditors' Report

(Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date)
Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
- (b) The Company has conducted physical verification of its fixed assets in a phased manner over a period of 2 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were observed during the physical verification of assets.
- (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) (a) The Inventories have been physically verified by the management during the year except material lying with the third parties. In our opinion, the frequency of such verification is reasonable. No material discrepancies were observed during the physical verification of inventory as compared to book records.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the Act. The company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained u/s 189 of the Act except unsecured advances to wholly owned foreign subsidiaries granted in earlier year.
- (iv) In our opinion and according to the information and explanations given to us, no loans, investments, guarantees and securities have been given by the company to concerns which are covered under section 185 of the Companies Act, 2013 and section 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 to 76 of the Companies Act, 2013 and rules framed there under.
- (vi) In our opinion and according to the information/explanations given to us, maintenance of the cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.
- (vii) (a) In our opinion and according to information/explanations given to us, the Company is 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, Cess and any other statutory dues to the appropriate authorities.
- (b) In our opinion and according to information/explanations given to us, the Company has some disputes which have resulted into demands under the Income Tax Act, 1961 which have not been deposited. The details of which are given below:

Assessment Year	Amount involved (Rs in lacs)	Forum where dispute is pending
Assessment Year 2007-08	30.54	Allahabad High Court
Assessment Year 2013-14	8.63	CIT-Appeals-II, Kanpur
Assessment Year 2009-10 to 2013-14	3.12	Asst. Commissioner Service Tax Kanpur.
Assessment Year 2014-15	3.80	Asst. Commissioner Service Tax Kanpur.
Assessment Year 2014-15	12.50	CIT-Appeals-II, Kanpur

- (i) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders as applicable.
- (ii) In our opinion and according to the information and explanations given to us, the company has not raised any money out of initial public offer or further public offer (including debt instruments). In our opinion, the term loan have been applied for the purposes for which they were raised.
- (iii) According to the information and explanations given to us, we have neither come across any instance of fraud on or by the company noticed or reported during the year nor have we been informed of such case by the management during the course of our audit.
- (iv) In our opinion and according to the information and explanations given to us, the managerial remuneration paid by the Company is in accordance with provisions of Section 197 of the Companies Act, 2013. The company has also taken requisite approvals as mandated by the provisions of section 197 in terms of managerial remuneration being paid.
- (v) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company, thus this para does not apply to it.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with requirements of Section 177 of the Companies Act, 2013 and Section 188 of the Companies Act, 2013 in relation to the related parties. The company has also disclosed the requirements as laid down in the accounting standards in the relation to the related parties in the Standalone financial Statements.
- (vii) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year under review.
- (viii) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with it during the year under review.
- (ix) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India, 1934.

Dated: 30.05.2017
Place: Kanpur

For KapoorTandon & Co.,
Chartered Accountants
FRN: 000952C

(R.P. Gupta)
Partner
Membership No.070904

Annexure - B to the Auditors' Report

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 31st March 2017 in conjunction with our audit of the standalone 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 Companies Act, 2013.

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 the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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

Standalone financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 31st March 2017, 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.

Dated: 30.05.2017

Place: Kanpur

For KapoorTandon & Co.,

Chartered Accountants

FRN: 000952C

(R.P Gupta)

Partner

Membership No.070904

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 31st March, 2017 as stipulated in clause 49 of the Listing Agreement ('Listing Agreement') of the said Company with Stock Exchange for the period from 1st April, 2016 to 30th November, 2016 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December, 2016 to 31st March, 2017.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and Management, we certify that the company has complied with, in all material respect, with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations.

We further 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 KAPOOR TANDON & CO.
Chartered Accountants
Firm Registration No. 000952C

R.P. Gupta
PARTNER
Membership No. 070904

Place: Kanpur
Date: May 30, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2	107,973,360	107,973,360
(b) Reserves and Surplus	3	<u>732,161,338</u>	<u>712,976,725</u>
		840,134,698	820,950,085
2. Non Current Liabilities			
(a) Long Term Borrowings	4	3,624,512	26,662,691
(b) Deferred Tax Liabilities (Net)	5	<u>62,949,834</u>	<u>62,375,861</u>
		66,574,346	89,038,553
3. Current Liabilities			
(a) Short Term Borrowings	6	919,703,030	1,023,340,440
(b) Trade Payables	7	423,785,886	364,421,171
(c) Other Current Liabilities	8	204,812,658	192,487,751
(d) Short Term Provisions	9	<u>12,757,475</u>	<u>11,025,985</u>
		1,561,059,049	1,591,275,346
TOTAL		<u><u>2,467,768,092</u></u>	<u><u>2,501,263,984</u></u>
II. ASSETS			
1. Non Current Assets			
(a) Fixed Assets :	10		
(i) Tangible Assets		637,767,989	684,855,500
(ii) Intangible Assets		161,495	181,537
(iii) Capital Work in Progress		20,226,918	14,207,555
(b) Non Current Investments	11	29,361,469	29,061,773
(c) Long Term Loans and Advances	12	<u>16,606,500</u>	<u>17,680,116</u>
		704,124,370	745,986,481
2. Current Assets			
(a) Inventories	13	1,085,586,577	981,870,248
(b) Trade Receivables	14	455,132,579	516,045,312
(c) Cash and Bank Balances	15	58,799,129	58,439,804
(d) Short Term Loans and Advances	16	90,622,259	118,091,177
(e) Other Current Assets	17	<u>73,503,178</u>	<u>80,830,962</u>
		1,763,643,721	1,755,277,503
TOTAL		<u><u>2,467,768,092</u></u>	<u><u>2,501,263,984.00</u></u>

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

(R.P. Gupta)
Partner
M.No. 070904

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	2016-17 (Rupees)	2015-16 (Rupees)
REVENUE			
Revenue from operations (gross)	18	2,337,498,557	2,382,966,210
Less: Excise Duty		<u>7,008,327</u>	<u>4,833,783</u>
Revenue from operations (net)		2,330,490,230	2,378,132,427
Other Income	19	20,163,988	21,540,263
Total Revenue		<u>2,350,654,218</u>	<u>2,399,672,690</u>
EXPENSES			
Cost of Material consumed	20	1,623,487,023	1,585,880,174
Purchases of Stock-in-trade	21	76,897,405	124,252,361
Changes in Inventories of Finished Goods, Work-in-Process and Traded Goods	22	(101,899,652)	- 52,808,116
Employee Benefits Expenses	23	90,351,281	87,758,533
Finance Costs	24	90,787,330	95,951,642
Depreciation and Amortisation Expenses	25	72,915,293	72,640,990
Other Expenses	26	439,682,611	414,889,275
Total Expenses		<u>2,292,221,289</u>	<u>2,328,564,859</u>
Profit Before Tax		58,432,929	71,107,831
Tax Expenses			
- Current Tax		22,500,000	27,000,000
- Deferred Tax		573,973	(2,433,318)
- Tax adjustments relating to earlier years		(2,540,894)	10,837,626
Profit for the year		37,899,850	35,703,524
Earning per Equity Share (EPS)	27		
(Face value of Rs 1 each)			
EPS - Basic (Rupees per Share)		0.35	0.33
EPS - Diluted (Rupees per Share)		0.35	0.33
Significant Accounting Policies	1		

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

(R.P. Gupta)
Partner
M.No. 070904

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>2016-17</u> (Rupees)	<u>2015-16</u> (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	58,432,929	71,107,831
Adjustment for :		
Depreciation	72,915,293	72,640,990
Interest Expense	79,979,705	84,558,138
Interest - Earned	(734,365)	(678,899)
Bad Debts written off	-	43,763
Fixed Assets - Loss on sale	500,148	673,590
Fixed Assets - Profit on sale	(1,668,973)	(500,185)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2094,24,737	2278,45,228
ADJUSTMENTS FOR :		
Trade and Other receivables	102,804,220	35,832,132
Inventories	(103,716,329)	(75,428,515)
Trade and Other Payables	87,766,324	(27,269,520)
CASH GENERATED FROM OPERATIONS	296,278,952	160,979,325
Income Tax Paid (net of Refunds)	(26,511,234)	(32,257,474)
NET CASH FROM OPERATING ACTIVITIES	269,767,718	128,721,851
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets(including CWIP)	(67,625,430)	(91,405,768)
Sale of Fixed Assets	183,90,071	3,134,527
Investments	(2,99,696)	(3,147,035)
Other Bank Balances	(24,41,339)	(13,737,536)
Interest Earned	1,127,167	2,86,097
NET CASH USED IN INVESTING ACTIVITIES	(508,49,228)	(1048,69,715)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital	(102,474,144)	121,769,353
Foreign Currency Loan	(1,163,264)	19,869,141
Term Loan	(37,162,838)	(53,947,334)
Interest paid	(803,20,568)	(848,08,643)
Dividend paid	120,310	(6,116,461)
NET CASH FLOW USED IN FINANCING ACTIVITIES	(2210,00,505)	(32,33,944)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(20,82,014)	206,18,192
OPENING CASH AND CASH EQUIVALENTS	421,25,075	215,06,883
CLOSING CASH AND CASH EQUIVALENTS		
(Refer Note No. 15)	400,43,061	421,25,075
Significant accounting policies	1	

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

(R.P. Gupta)
Partner
M.No. 070904

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

Notes to financial statements for the year ended 31st March, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with the GAAP in India under the historical cost convention, except for certain fixed assets which were revalued, on accrual basis of accounting in accordance with the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

1.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialised.

1.3 Fixed Assets

Fixed Assets, other than those revalued, are stated at their cost of acquisition or construction as the case may be and including all related acquisition/installation expenses and borrowing cost as per Accounting Standard (AS) 16. Subsidy received on Fixed Assets is credited to the cost of respective fixed assets. Assets revalued are stated at their revalued amount. Cost/revalued amount so ascertained is adjusted for accumulated depreciation/amortization and provision for impairment.

1.4 Depreciation

Depreciation on Fixed Assets is provided on 'Straight Line Method' in accordance with the provisions of Schedule II to the Companies Act, 2013 except for leasehold land and intangible assets. Leasehold Land is amortised over the period of lease. Depreciation attributable to appreciation due to revaluation of fixed assets (other than leasehold land) is provided over the remaining useful life of the asset in accordance with Schedule II to the Companies Act, 2013 and equivalent amount is withdrawn from Revaluation Reserve and credited to Statement of Profit and Loss. In case of impaired assets, depreciation is charged on the adjusted cost net of impairment. Intangible Assets are amortised over a period of ten years under the straight line method of amortisation.

1.5 Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to the recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

1.6 Capital work in progress

Capital Work in Progress comprises cost of fixed assets yet to be commissioned and/or in transit, borrowing cost and incidental expenditure during construction period. Expenditure during construction period is allocated to the respective Fixed Assets on completion of the construction period.

1.7 Investments

Long term investments (non current) are carried at cost and provision, if necessary, is made for decline other than temporary in their value. Current investments are carried at lower of cost and market/fair value.

1.8 Inventories

Stock of raw materials and chemicals are valued at lower of cost (weighted average) or net realizable value. Stores and spares are valued at lower of cost (FIFO basis) or net realizable value. Stock of work in process is valued at estimated cost. Finished goods (including stock in transit or at port) are valued at lower of cost (determined on Direct cost method) or net realizable value. Stock of trading items is valued at lower of cost (weighted average) or net realizable value. Stock of waste and scrap are valued at estimated realizable value. Stock transferred to other divisions of the company is valued at transfer price. Import entitlements/licenses are valued at estimated realizable value.

1.9 Dividend and Equity Shares

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the board of Directors of the company.

Notes to financial statements for the year ended 31st March, 2017

1.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements

1.11 Revenue Recognition

- i) Sales are recognized in respect of (a) Exports on shipment of consignment; and (b) others on dispatches of consignment from company premises. Sales are inclusive of excise duty but net of sales tax, returns and discounts. Duty Drawback is accounted for on the basis of export sales effected during the year.
- ii) Revenue is accounted for on accrual basis when its collection or receipt is reasonably certain.
- iii) All expenses are accounted for on accrual basis. However the claims are recognised on settlement.

1.12 Government Grants

Capital subsidy received under Tannery Modernisation Scheme (TMS) is credited to Capital Reserve. Revenue Grants are recognized in the Statement of Profit & Loss in accordance with the related Scheme and in the period in which those accrued.

1.13 Retirement Benefits

Contributions are made to the Provident Fund and Superannuation Funds on actual liability basis. Provision for gratuity liability is made at the end of the year on the basis of actuarial valuation . Provision for leave encashment is made on the basis of total liability of all eligible employees as per the company's scheme.

1.14 Foreign Currency Translations

- i) The reporting currency of the company is Indian rupees.
- ii) Outstanding foreign currency assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date. Gains or losses on these assets and liabilities relating to the acquisition of fixed assets are adjusted to the cost of such fixed assets and those relating to other accounts are recognized in the statement of profit and loss. Exchange Difference arising as a result of transactions settled during financial year are included in sales.

1.15 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses (if any).

1.16 Earning Per Share (EPS)

Earning per share is calculated in accordance with the procedure laid out in AS-20 on Earning Per Share.

1.17 Excise Duty

Excise duty is accounted for as and when paid on clearance of goods from bounded premises. No provision is made for excise duty in respect of finished products lying in bounded premises since major sales comprises of export sales.

1.18 Borrowing Cost

Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 Taxation

Provision for tax on income for the year (i.e. Current Tax) is made after considering the various deductions/reliefs admissible under the Income Tax Act, 1961. Provision for tax effect of timing differences between taxable income and accounting income (i.e. Deferred Tax) is made in accordance with the provisions of AS-22 on Accounting for Taxes on Income.

1.20 Prior Period Items

Prior period items, if material, are disclosed separately.

1.21 Cash Flow Statement

Cash flow statement is prepared in accordance with the "Indirect Method" prescribed in AS -3 on Cash Flow Statements.

Notes to financial statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
2. SHARE CAPITAL		
Authorised		
11,00,00,000 Equity Shares of Re.1/- each	110,000,000	110,000,000
Issued, Subscribed and fully paid up		
10,79,73,360 Equity Shares of Re.1/- each fully paid up	107,973,360	107,973,360
Total	<u>107,973,360</u>	<u>107,973,360</u>

2.1 Reconciliation of the shares outstanding at the beginning and at the end of the year:

Equity shares	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	107,973,360	107,973,360	107,973,360	107,973,360
Changes during the year	-	-	-	-
Outstanding at the end of the year	<u>107,973,360</u>	<u>107,973,360</u>	<u>107,973,360</u>	<u>107,973,360</u>

2.2 Term/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 assets 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.

2.3 Face Value of Equity Shares - sub division / split in preceding five years:

At the annual general meeting held on 30th September 2010, the members of company approved a stock split i.e. sub-division. Consequently, each equity share of the company having face value of Rs. 2/- each, as existing on Record Date, sub-divided into two equity shares of face value of Re. 1/- each fully paid up, and the Authorized and Paid up Equity Share Capital of the company changed accordingly.

2.4 Shares held by holding/ultimate holding company and/or their subsidiaries/associates: NIL

2.5 Details of shareholders holding more than 5% shares in the company

Name of the Share Holder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	% held	No. of Shares	% held
1) Mr. Veqarul Amin	17,883,900	16.56%	17,883,900	16.56%
2) Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	8.47%
3) Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	8.41%

Notes to financial statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
4. LONG TERM BOROWINGS		
Secured		
Term loans		
Rupee Loans		
Term Loan from State Bank of India	-	17,507,437
<u>Vehicle Loan</u>		
UCO BANK	3,464,062	6,637,365
State bank of India	<u>160,450</u>	<u>2,517,889</u>
TOTAL	<u><u>3,624,512</u></u>	<u><u>26,662,691</u></u>

4.1 Term loan from bank:

(i) T1-Rs.3.00 crore: Carries interest @ 12.55% p.a. The loan repayment of term loan was to be done in 11 quarterly installment out of which 9 installments have already been paid up 31.03.2016, remaining 3 installments will be paid as per detail given below:-

(A) Next 3 installments of Rs. 30 Lacs each (From 30.06.2017 to 31.12.2017)

4.2 Vehicles Loans are repayable in equated monthly instalments ranging from 36 to 83 EMIs.

4.3 The Term loan are secured by first charge over entire fixed assets (both present and future, except vehicles financed by other Banks/FIs) of the Company, extension of charge on current assets of the Company, corporate guarantee of a subsidiary Aarifi Tanners Limited. Loans are further secured by the personal guarantee of promoter director(s) and by way of pledge of their shares (as given hereunder) with State Bank of India :

Name of the Share Holder	No. of Shares Held	% Held	No. of Shares Pledged	% Pledged
1) Mr. Veqarul Amin	17,883,900	16.56%	7,654,200	42.80%
2) Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	100.00%
3) Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	100.00%
4) Mrs. Ismat Iqbal	3,082,800	2.86%	3,082,800	100.00%
5) Mrs. Sophia Amin	3,458,400	3.20%	3,288,472	95.09%

4.4 Vehicle loans are secured by hypothecation of vehicle financed.

5. DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability

on account of

Depreciation	<u>641,98,271</u>	641,98,271	<u>68,069,308</u>	68,069,308
Gross deferred tax liability				

Deferred Tax Assets

on account of

Expenses covered u/s 43B/Non deduction of TDS u/s 40(a)(ia)	<u>12,48,437</u>	12,48,437	<u>5,693,447</u>	5,693,447
Gross deferred tax assets				
Net Deferred Tax Liability @		<u><u>62,949,834</u></u>	<u><u>62,375,861</u></u>	

'@ Deffered tax asset has been recognized and carried to the extent there is virtual certainty that sufficient future taxable income will be available against which such deffered tax assets are realised. Deffered Tax Assets and Deffered Tax Liabilities have been set off in accordance with clause 29 of AS - 22

Notes to financial statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
6. SHORT TERM BORROWING		
Secured		
Working Capital Loans		
Rupee Loan		
<i>from State Bank of India</i>		
a) Cash Credit	43,006,953	70,851,824
b) Packing Credit	775,984,463	826,738,129
c) Advance against bills sent on collection	<u>74,339,585</u>	<u>98,215,194</u>
	893,331,001	995,805,147
Foreign Currency Loan		
<i>from State Bank of India</i>		
Buyers Credit	26,372,029	27,535,293
TOTAL	<u><u>919,703,030</u></u>	<u><u>1,023,340,440</u></u>

- 6.1 Working Capital Loan from State Bank of India is secured by hypothecation of Inventories & Book Debts, extension of charge on entire fixed assets (both present & future) of the Company and corporate guarantee of a subsidiary Aarifi Tanners Limited. Loans are further secured by the personal guarantee of promoter director(s) and by way of pledge of their shares(as given hereunder) with State Bank of India:

Name of the Share Holder	No. of Shares Held	% Held	No. of Shares Pledged	% Pledged
1) Mr. Veqarul Amin	17,883,900	16.56%	17,883,900	16.56%
2) Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	8.47%
3) Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	8.41%
4) Mrs. Ismat Iqbal	3,082,800	2.86%	3,082,800	2.86%
5) Mrs. Sophia Amin	3,458,400	3.20%	3,458,400	3.20%

7. TRADE PAYABLES

Sundry Creditors		
Micro and Small Enterprises	-	-
Others	423,785,886	364,421,171
TOTAL	<u><u>423,785,886</u></u>	<u><u>364,421,171</u></u>

Trade payable include:

Due to subsidiary companies	-	238,030
Due to a Company in which one of the Director is interested (Director(s) are having shares and are Director in Associate Company) (Refer Note 37)	5,000	4,112,946

- 7.1 The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). According to the information available with the company there was no amount (principal and/or interest) due to any micro/small enterprises (SME as defined in the Act) as at the end of the year. There is no delay in payment to SME during the year. No interest was paid/payable on account of delay in payment to SME during the year in terms of Section 16 of the Act.

8. OTHER CURRENT LIABILITIES

Current maturity of long term secured borrowings (refer note 4.1 to 4.4)	11,115,744	25,240,403
Interest accrued but not due on borrowings	116,848	-
Interest accrued and due on borrowings	-	457,711
Book overdraft with banks	15,010,419	22,734,779
Security Deposit	10,000	10,000
Advance from Customers	56,064,142	40,672,497
Unpaid Dividend (refer Note 8.1)	2,141,145	2,020,835
Other Liabilities	120,354,359	101,351,526
TOTAL	<u><u>204,812,658</u></u>	<u><u>192,487,751</u></u>

- 8.1 There are no amounts due for payment to Investor Education & Protection Fund under Section 205C of the Act as at the year end.

9. SHORT TERM PROVISIONS

Provision for Gratuity	12,757,475	11,025,985
TOTAL	<u><u>12,757,475</u></u>	<u><u>11,025,985</u></u>

SUPER TANNERY LIMITED

Notes to financial statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)	
11. NON CURRENT INVESTMENTS			
<i>(Long Term Investments)</i>			
Trade (valued at cost unless stated otherwise)			
EQUITY SHARES - UNQUOTED			
A. INVESTMENT IN SUBSIDIARIES			
Super Tannery (U.K.) Limited			
2,100 (2,100) Ordinary Shares of GBP 1/- each fully paid up	152,096	152,096	
Aarifi Tanners Limited			
12,05,366 (12,05,366) Equity Shares of Rs 10/- each fully paid up	16,423,500	16,423,500	
Super Corporation Limited			
26,000 (26,000) Equity Shares of Rs. 10/- each fully paid up	260,000	260,000	
Safety Solutions s.r.o.			
6,638 (6,638) Ordinary Shares of Euro 1/- each fully paid up	465,492	465,492	
SUPER TANNERY (UAE) LTD			
15,000 (15,000) Ordinary Shares of DHM 10/- each fully paid up	3,011,035	3,011,035	
SUPER ITALIA SRL	74,696.00	20,386,819	
990 Ordinary Shares of Euro 1/- each fully paid up	-	20,312,123	
B. INVESTMENT IN ASSOCIATES			
Secure Safety Limited			
6,99,300 (6,99,300) Equity Shares of Rs 10/- each fully paid up	6,993,000	6,993,000	
C. OTHERS			
Superhouse Overseas Limited			
5,000 (5,000) Equity Shares of Rs.10/- each fully paid up	50,000	50,000	
Al-Barr Finance House Limited			
30,000 (30,000) Equity Shares of Rs. 10/- each fully paid up	300,000	300,000	
Svit Pronext Machines Private Limited			
8,500 (8,500) Equity Shares of Rs. 10/- each fully paid up	85,000	85,000	
Industrial Infrastructure Services (India) Limited			
35,365 (35,365) Equity Shares of Rs. 10/- each fully paid up	353,650	353,650	
Kanpur Unnao leather Cluster Development Co. Ltd			
75,000 (75,000) Equity Shares of Rs. 10/- each fully paid up	750,000	600,000	
Banthar Industrial Pollution Control Company			
21,600 (21,600) Equity Shares of Rs. 10/- each fully paid up	216,000	216,000	
Leather Cluster Development Ltd.			
10,000 Equity Shares of Rs. 10/- each fully paid up	100,000	1,704,650	
D. Investment in Partnership Firm			
Bovini Frills LLP	75,000	75,000	
15% in the capital of the LLP	-	-	
Total (A)	29,309,469	29,009,773	
Non Trade (valued at cost unless stated otherwise)			
EQUITY SHARES - QUOTED			
Superhouse Limited			
5,200 (5,200) Equity Shares of Rs. 10/- each fully paid.	52,000	52,000	
Total (B)	52,000	52,000	
TOTAL (A+B)	29,361,469	29,061,773	
Book value of Quoted Investments	52,000	52,000	
Book value of Unquoted Investments	29,309,469	29,009,773	
Market value of Quoted Investments	746,980	720,200	
Details of Partners, Capital and Profit Sharing Ratio in LLP :			
Name of Partners	Profit Sharing Ratio	Capital as on 31.03.2017	Capital as on 31.03.2016
Mr. Shahbraz Khan	55%	275,000.00	-
M/S Super Tannery Ltd.	15%	75,000.00	-
Mr. Iftikharul Amin	15%	75,000.00	-
Mr. Iqbal Ahsan	15%	75,000.00	-

10. Schedule of Fixed Assets as on 31.03.2017

Sl No.	Particulars	Life Of Assets (IN Years)	GROSS BLOCK			DEPRECIATION				NET BLOCK			
			Value as on	Addition during	Sale/ Adjust	Total Value	Dep Res	For the	On Sale	Adjustments	Total up to	As on	As on
			01.04.2016	the Year		As on 31.03-2017	01.04.2016	Period		To be Adjusted from Retained Earnings	As on 31.03-2017	As on 31.03.2016	
1	LAND - FREEHOLD		40,306,999	-	17,396,063	22,910,936	-	-	-	-	22,910,936	40,306,999	
2	LAND - LEASEHOLD	99 Yrs	7,359,349	-	-	7,359,349	932,450	74,337	-	-	1,006,787	6,352,562	6,426,899
3	BUILDING	30 Yrs	215,231,347	4,782,671	6,519,736	213,494,282	66,007,541	6,502,865	5,113,891	-	67,396,515	146,097,767	149,223,806
4	PLANT & MACHINERY		866,863,822	52,634,914	2,851,362	916,647,374	443,335,637	55,172,443	1,295,113	-	497,212,967	419,434,407	423,528,185
5	FURNITURE & FIXTURE	10 Yrs	20,792,070	1,624,719	-	22,416,789	9,899,461	1,651,895	-	-	11,551,356	10,865,433	10,892,609
6	VEHICLES	10 & 8 Yrs	86,774,188	2,563,764	28,195,806	61,142,146	32,297,189	9,493,710	12,755,637	-	29,035,262	32,106,884	54,476,999
	TOTAL		1,237,327,775	61,606,068	54,962,967	1,243,970,876	552,472,278	72,895,250	19,164,641	-	606,202,887	637,767,989	684,855,497
7	Intangibles	10 Yrs	210,976	-	-	210,976	29,439	20,043	-	-	49,481	161,495	181,537
	G. TOTAL		1,237,538,751	61,606,068	54,962,967	1,244,181,852	552,501,717	72,915,293	19,164,641	-	606,252,368	637,929,483	685,037,034

10.1 During the year, in terms of para 91 of AS-10, outstanding amount of Revaluation Reserve as at 31.03.2016 amounting to Rs. 187,15,237 has been adjusted from carrying amount of respective assets (included in adjustment column in the chart) as the company has opted the "Cost Model" as prescribed therein. Since the depreciation attributable to revaluation was being adjusted from Revaluation Reserve, it has no impact on Depreciation (Net of adjustment on account of revaluation) charge to the Statement of Profit & Loss and profits for the year.

Notes to financial statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
12. LONG TERM LOANS & ADVANCES (unsecured considered good)		
Security Deposit	3,897,463	3,824,363
Advance to Subsidiaries	12,709,037	13,855,753
TOTAL	<u>16,606,500</u>	<u>17,680,116</u>

12.1 Disclosure as per clause 32 of the Listing Agreement and Section 186(4) of the Companies Act, 2013

Name of the party	Relationship	Amount outstanding as at 31st March 2017 (Rs.)	Maximum Amount outstanding during the year (Rs.)
Loans and Advances			
Super Tannery (U.K.) Limited	WOS	10,347,625	11,494,341
Safety Solutions s.r.o	WOS	2,361,412	2,361,412
Super Italia s.r.l	WOS	1,88,083	-

Notes:

1. The aforesaid advances were given to meet the working capital requirements and had been utilised accordingly.
2. WOS indicates Wholly Owned Subsidiary.

13. INVENTORIES

(valued at lower of cost and net realisable value)

Raw Materials	210,760,763	175,111,247
Work in Process (refer Note 28)	406,530,677	453,026,694
Finished Goods* (refer Note 29) (including Stock at Port Rs. 61651296.97)	343,965,299	207,141,106
Stock of Waste & Scrap	20,048,938	8,477,462
Chemicals, Components and Spare Parts	104,280,899	138,113,739
TOTAL	<u>1,085,586,577</u>	<u>981,870,248</u>

* Finished Goods includes Stock of Traded goods also.

Notes to financial statements for the year ended 31st March, 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
14. TRADE RECEIVABLES (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	1156,52,891	67,302,208
Others		
Considered Good	3394,79,688	448,743,104
TOTAL	455,132,579	516,045,312
Trade receivable include:		
Due from subsidiary companies	26,721,515	42,725,313
Due from a Company in which one of the Director is interested (Director(s) are having shares and are Director in Associate Company) (Refer Note 37)	26,647,587	21,656,135
15. CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash in Hand	1,018,956	3,123,832
(as Certified by the Management)		
Cheques in hand/Remittance in Transit	4,533,440	154,283
Balances with Scheduled Banks in:		
- Current Accounts	32,413,103	36,810,285
- Foreign Currency Account (EEFC A/C)	2,077,561	2,036,675
	40,043,061	42,125,075
Other bank balances		
Margin Money Deposit Accounts	16,614,923	14,293,894
Unpaid Dividend Account	2,141,145	2,020,835
	18,756,068	16,314,729
TOTAL	58,799,129	58,439,804
16. SHORT TERM LOANS & ADVANCES (Unsecured considered good)		
Advance Tax	29,142,484	27,090,356
Less: Provision for Tax	22,500,000	27,000,000
	6,642,484	90,356
Advance recoverable in cash or kind or for value to be received	83,979,775	118,000,821
TOTAL	90,622,259	118,091,177
17. OTHER CURRENT ASSETS (Unsecured considered good)		
Interest accrued but not due on borrowings	-	392,802
Export Incentive Receivable [Refer note 17.1]	49,467,674	57,572,791
Other Current assets	24,035,504	22,727,212
Assets held for Sales (Valued at net realisable value)	-	138,158
TOTAL	73,503,178	80,830,962
17.1 Details of Export Incentives Receivable		
Duty Draw Back	35,080,584	42,159,480
Other Export Incentives / Licences	14,387,090	15,413,311
TOTAL	49,467,674	57,572,791

Notes to financial statements for the year ended 31st March, 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
18. REVENUE FROM OPERATIONS		
Revenue from operations		
Sale of Leather & Leather Products		
- Sales (Export) [Refer note 18.1]	1,641,952,017	1,686,631,509
- Sales (Others) [Refer note 18.1]	540,139,311	527,435,999
- Exchange Fluctuation	14,759,581	23,669,474
	2,196,850,908	2,237,736,982
Export Incentives (refer Note 18.2)	140,647,649	145,229,228
Revenue from operations (gross)	2,337,498,557	2,382,966,210
Less: Excise duty	7,008,327	4,833,783
Revenue from operations (net)	2,330,490,230	2,378,132,427

18.1 Details of Sales Product wise:

Particular	2016-17		2015-16	
	Export	Others	Export	Others
Finished Leather	1,068,883,838	418,104,380	1,144,138,517	388,395,602
Leather Shoes & Components	558,342,559	121,596,010	525,396,776	138,811,393
Other Leather Products	14,725,620	438,921	17,096,216	229,004
	1,641,952,017	540,139,311	1,686,631,509	527,435,999

18.2 Details of Export Incentives

Duty Draw Back	116,269,457	115,171,285
Other Export Incentives / Licences	24,378,192	30,057,944
TOTAL	140,647,649	145,229,228

19. OTHER INCOME

Interest on Fixed Deposit with Banks	734,365	678,899
Profit on Sale of Fixed Assets	1,668,973	500,185
Excess Provision written back	14,574,132	9,111,143
Miscellaneous Income	3,186,519	11,250,035
TOTAL	20,163,988	21,540,263

20. DETAIL OF MATERIAL CONSUMED

<u>Raw Material consumed</u>		
Opening Stock	175,111,247	163,305,624
Add: Purchase	1,091,071,625	1,087,540,243
Inter Division Transfers (as per contra note no 18)	-	-
	1,266,182,872	1,250,845,867
Less: Closing Stock	210,760,763	175,111,247
Raw Material consumed (Refer Note 20.1)	1,055,422,109	1,075,734,620
Chemicals consumed	389,031,769	422,658,491
Stores & Spares consumed	179,033,145	87,487,062
Cost of material consumed *	1,623,487,023	1,585,880,174

* Cost of Materials consumed is based on derived values.

20.1 Detail of Raw Material consumed

Raw Hide for Sole	112,244,929	59,404,316
Goat Skins	1508,12,162	2000,71,814
Raw Hide for Chrome	503,230,861	618,464,373
Wet Blue Leather (Chrome)	13,822,566	12,737,830
Uppers for Safety Shoes	1923,30,698	794,23,958
Finished Leather for Shoe Uppers & Shoes	75,673,444	99,321,086
Others	7,307,449	6,311,243
Total	10554,22,109	10757,34,620

Notes to financial statements for the year ended 31st March, 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
21. PURCHASE OF STOCK-IN-TRADE		
Finished Goods	28,116,765	86,428,077
Trading Items	48,780,639	37,824,284
TOTAL	<u>76,897,405</u>	<u>124,252,361</u>
22. CHANGES IN INVENTORIES		
Inventories at the beginning of the year		
Finished Goods	207,141,106	263,222,892
Stock of Waste & Scrap	8,477,462	5,012,546
Work in Process	<u>453,026,694</u>	<u>347,601,708</u>
TOTAL 'A'	668,645,262	615,837,146
Inventories at the end of the year		
Finished Goods	343,965,299	207,141,106
Stock of Waste & Scrap	20,048,938	8,477,462
Work in Process	<u>406,530,677</u>	<u>453,026,694</u>
TOTAL 'A'	770,544,914	668,645,262
Decrease/(Increase) in Stocks (A-B)	<u>(101,899,652)</u>	<u>- 52,808,116</u>
23. EMPLOYEE BENEFITS EXPENSES		
Salary and Bonus	616,78,083	58,908,402
Directors Remuneration (refer Note 35)	96,47,700	9,446,100
Contribution to Provident and other funds	145,08,131	14,530,135
Workmen and Staff Welfare expenses	4,517,367	4,873,896
TOTAL	<u>90,351,281</u>	<u>87,758,533</u>
24. FINANCE COSTS		
Interest on		
- Term Loan	3,632,320	8,960,165
- Others	<u>76,347,385</u>	<u>75,597,972</u>
	79,979,705	84,558,138
Bank Charges	9,698,295	9,431,792
Foreign Bank Charges	1,109,329	1,961,713
TOTAL	<u>90,787,330</u>	<u>95,951,642</u>
25. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and amortisation - tangible assets	72,915,293	72,681,984
Less: Recoupment from revaluation reserve (refer Note 10.1)	-	40,994
TOTAL	<u>72,915,293</u>	<u>72,640,990</u>

Notes to financial statements for the year ended 31st March, 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
26. OTHER EXPENSES		
Manufacturing Expenses		
Wages & Bonus (including Job Charges)	135,602,585	118,331,015
Power and Fuel	69,280,382	69,062,425
Pollution Control Expenses	3,978,155	3,617,029
Repairs and Maintenance		
- Building	5,667,150	3,850,280
- Machinery	7,655,222	7,864,611
	222,183,495	202,725,359
Selling and Distribution Expenses		
Packing and Forwarding	34,295,727	25,402,506
Freight & Cartage	54,264,345	45,537,330
Commission on Sale	34,491,845	44,114,392
Advertisement and Publicity	640,115	1,083,136
Exchange Fluctuation	7,026,436	1,018,416
Bad Debts - Provision/write off	-	43,763
	130,718,469	117,199,545
Establishment Expenses		
Rent	2,308,292	1,767,069
Rates and Taxes	5,732,061	7,280,404
Insurance	5,823,745	5,486,814
E.C.G.C. Premium	8,728,253	10,383,717
Communication Cost	5,851,444	5,471,055
Travelling and Conveyance	24,187,674	24,795,389
Repairs and Maintenance - Others	7,753,911	8,625,979
Printing and Stationery	1,527,727	1,299,578
Legal and Professional Charges	2,215,316	3,867,150
Auditor's Remuneration (refer Note 26.1)	644,143	747,931
Miscellaneous Expenses	19,006,848	21,117,513
Research & Development Expenses	256,655	600,633
CSR Expenditure	1,050,000	1,650,000
Subscription and Donation	1,194,431	1,197,550
Loss on Sale of Fixed Assets	500,148	673,590
	86,780,648	94,964,371
TOTAL	439,682,611	414,889,275
26.1 Payment to auditors		
As Auditors:		
Audit Fees	4,48,500	423,650
In other capacity:		
Taxation & other services	1,95,643	324,281
TOTAL	644,143	747,931
27. Earning per share (EPS)		
Profit for the year	37,899,850	35,703,524
Weighted average number of equity shares for the purpose of of calculation of Basic and Diluted EPS	107,973,360	107,973,360
Nominal value of equity shares (Rs.)	1	1
EPS- Basic and diluted (Rs.)	0.35	0.33
28. Closing Inventory of Work-in-Process		
Leather and Leather Products	406,530,677	453,026,694
TOTAL	406,530,677	453,026,694

Notes to financial statements for the year ended 31st March, 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
29. Closing Inventory of Finished Goods		
Leather and Leather Products	343,965,299	207,141,106
TOTAL	<u>343,965,299</u>	<u>207,141,106</u>

30. Imported and indigenous raw materials, components and spare parts consumed

PARTICULARS	2016-17		2015-16	
	Rupees	%	Rupees	%
Raw Material				
Imported	71,934,838	6.82%	75,573,197	7.03%
Indigenous	983,487,271	93.18%	100,01,61,423	92.47%
Chemicals, Components, Stores & Spares (including Packing Material)				
Imported (Direct)	85,226,099	15.00%	105,298,735	20.64%
Indigenous	482,838,816	85.00%	404,846,818	79.36%

In respect of items which are purchased both from indigenous and imported sources, the identity of individual items consumed cannot be established but segregation of consumption between imported and indigenous sources has been made on a reasonable approximation determined from the Company's records.

31. Value of Imports on CIF basis

(excluding purchases from canalising agencies and imported items purchased locally)

Raw Materials	73,274,042	72,474,523
Chemicals, Stores, Components and Spare Parts	74,757,331	89,005,054
Capital Goods	33,579,589	30,518,717
Total	<u>181,610,962</u>	<u>191,998,294</u>

32. Earnings in foreign exchange

Export of goods calculated on FOB Basis	1,622,118,244	1,676,452,306
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33. Expenditure in foreign currency

- Travelling	54,44,044	7,288,456
- Others	348,54,698	55,234,083

34. Remittance in foreign currency on account of Dividend

NIL

35. Directors Remuneration:

Salary	69,59,700	6,880,500
Commission	2,400,000	2,400,000
Contribution to Provident Fund & Family Pension Fund	288,000	165,600
Total	<u>9,303,300</u>	<u>9,446,100</u>

Notes to financial statements for the year ended 31st March, 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
36. Disclosure in terms of AS 15		
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.		
(Rupees)		
<i>Reconciliation of Opening and Closing balance of present value of defined benefit obligation for Gratuity</i>		
	2016-17	2015-16
Present Value of Obligation at beginning of the year	24,074,718	23,496,704
Current Service Cost	3,241,561	2,838,207
Interest Cost	1,656,754	1,844,491
Benefits paid	(2,281,039)	(2,511,625)
Actuarial (Gain)/Loss on Obligations	(499,152)	(1,593,059)
Past Service Cost	4,527,625	
Plan amendments	-	-
Present Value of Obligation at end of the year	30,720,467	24,074,718
<i>Reconciliation of Opening and Closing Fair Value of Plan Assets</i>		
Fair Value of Plan Assets at beginning of the year	11,454,982	9,250,613
Expected Return on Plan Assets	916,399	832,555
Contributions	1,600,000	4,000,000
Benefit Paid	(2,281,039)	(2,511,625)
Actuarial Gain / (Loss) on Plan Assets	(190,189)	(116,561)
Fair Value of Plan Assets at end of the year	11,500,153	11,454,982
<i>Reconciliation of Present Value of Obligations and Fair Value of Plan Assets</i>		
Fair Value of Plan Assets at end of the year	11,500,153	11,454,982
Present Value of Obligation at end of the year	30,720,467	24,074,718
Asset/(Liability) recognised in the Balance Sheet	(19,220,314)	(12,619,736)
<i>Expenses recognised during the year</i>		
Current Service Cost	3,241,561	2,838,207
Interest Cost	1,656,754	1,844,491
Expected Return on Plan Assets	(916,399)	(832,555)
Plan amendments/ Short Provision held	-	1,938,038
Total Actuarial Loss/(Gain) recognised during the year	(308,963)	(1,476,498)
Net Cost recognised in Statement of Profit and Loss	3,672,953	4,311,683
<i>Assumptions</i>		
Discount Rate (p.a.)	7.33 % p.a.	7.83 % p.a.
Expected Rate of increase in Salary (p.a.)	8.50 % p.a.	8.50 % p.a.
Expected Rate of return on Plan Assets (p.a.)	7.55 % p.a.	8.00 % p.a.
Mortality	IALM 06-08 ultimate	IALM 06-08 ultimate
Withdrawal Rate (p.a.)	2.00 % p.a.	2.00 % p.a.

Note: The Company is in the process of funding defined benefit obligation for gratuity, hence entire liability towards Provisions for Gratuity has been treated as Short Term Provision.

Notes to financial statements for the year ended 31st March, 2017

37. The related party disclosure in accordance with AS 18 'Related Party Disclosures' issued by ICAI, is given below:

A. Relationship

i. Subsidiary Company

Aarifi Tanners Limited
 Super Tannery (U.K.) Limited
 Safety Solutions s.r.o
 Super Corporation Limited
 Supertannery UAE FZE
 Super Itallia S.R.L.

ii. Joint Ventures, Associates & Entities:

Joint Venture: Nil

Associates & Entities:

Secure Safety Limited

iii. Key Management Personnel (KMP) & Relatives:

Mr. Iftikharul Amin (Managing Director)
 Mr. Iqbal Ahsan (Joint Managing Director)
 Mr. Veqarul Amin (Joint Managing Director)
 Mr. Imran Siddiqui (Whole-time Director)
 Mr. Arshad Khan (Whole-time Director)
 Mr. Mohd. Imran (Whole-time Director)
 Mr. Mubasherul Amin (Son of Mr. Iqbal Ahsan)
 Mr. Tanveerul Amin (Son of Mr. Iftikharul Amin)
 Mr. Umairul Amin (Son of Mr. Iqbal Ahsan)
 Mr. Khalid Sayeed (Brother of Mr. Imran Siddiqui)

iv. Others: Enterprise over which KMP or relatives of KMP are able to exercise significance influence:

Super Shoes Limited
 Amin Tannery Limited
 Amin Colonizers & Developers Ltd
 Banthar Industrial Pollution Control Company
 Industrial Infrastructure Services (I) Ltd
 Super House Limited
 Bovini Frills L.L.P.

B. The following transactions were carried out with related parties in the ordinary course of business during the year:

(Rupees)

Particulars	Subsidiary Companies		Others	
	2016-17	2015-16	2016-17	2015-16
Purchases of Materials/Finished Goods	250,000	NIL	10,804,738	20,475,775
Sale of Materials/Finished Goods	39,264,986	19,374,271	52,713,890	63,252,624
Services rendered	NIL	NIL	1,847,389	193,455
Services availed	NIL	NIL	231,001	1,669,758
Rent paid	360,000	360,000	110,000	NIL
Balances at the end of the year:				
Trade Receivables	26,721,515	42,725,313	26,647,587	21,656,135
Trade Payables	0	238,030	5,000	4,112,946
Loans & Advances	12,709,037	13,855,753	188,083	NIL
Advance from Customers	NIL	NIL	414,901	414,901
Investments-Trade	20,312,123	20,312,123	7,712,346	7,562,650
Investments-Non Trade	NIL	NIL	52,000	52,000

Key Management Personnel and relatives:

(Rupees)

Particulars	2016-17	2015-16
Remuneration		
- Directors	9,647,700	9,446,100
- Other Key management Personnels	2,081,895	1,860,819

Notes to financial statements for the year ended 31st March, 2017

Particulars	(Rupees)	
	2016-17	2015-16
Sale of Materials/Finished Goods:		
Subsidiary Companies:		
Super Tannery UAE FZE	39,264,986	19,374,271
Associates:		
Secure Safety Limited	-	120,950
Others:		
Super Shoes Limited	47,537,234	61,627,207
Banthar Industrial Pollution Control Company	-	-
Superhouse Ltd.	1,335,754	1,504,467
Bovini Frills LLP	3,840,902	-
Purchase of Materials/Finished Goods:		
Subsidiary Companies:		
Super Corporation Ltd.	250,000	-
Associates:		
Secure Safety Limited	-	20,292,615
Others:		
Superhouse Ltd.	468,000	183,160
Super Shoes Limited	10,336,738	-
Services Availed		
Others:		
Banthar Industrial Pollution Control Company	-	1,429,404
Industrial Infrastructure Services (I) Ltd	107,077	109,453
Superhouse Ltd.	123,924	130,901
Super Shoes Ltd.	-	-
Services Rendered		
Others:		
Superhouse Ltd.	52,340	73,455
Super Shoes Ltd.	-	120,000
Banthar Industrial Pollution Control Company	1,795,049	-
Rent Paid		
Subsidiary Companies:		
Aarifi Tanners Limited	360,000	360,000
Others:		
Super Shoes Ltd.	110,000	-
Trade Receivables		
Subsidiary Companies:		
Super Tannery (U.K.) Limited	-	18,989,827
Safety Solutions s.r.o	-	185,400
Aarifi Tanners Limited	263,061	59,863
Super Tannery FZE	26,458,454	23,490,223
Associates:		
Secure Safety Limited	-	255,650
Others:		
Super Shoes Limited	22,851,012	21,238,117
Banthar Industrial Pollution Control Company	-	-
Superhouse Ltd.	757,778	162,368
Bovini Frills LLP	3,038,797	-
Trade Payables		
Subsidiary Companies:		
Aarifi Tanners Limited	-	238,030
Associates:		
Secure Safety Limited	-	4,007,706
Others:		
Banthar Industrial Pollution Control Company	5,000	91,865
Industrial Infrastructure Services (I) Ltd	-	13,375
Loans & Advances		
Subsidiary Companies:		
Super Tannery (U.K.) Limited	10,347,625	11,494,341
Safety Solutions s.r.o	2,361,412	2,361,412
Associates:		
Super Tannery Super Italia	188,083	-
Advance from Customers		
Associates:		
Secure Safety Limited	414,901	414,901
Investments-Trade		
Subsidiary Companies:		
Aarifi Tanners Limited	16,423,500	16,423,500
Super Tannery (U.K.) Limited	152,096	152,096
Safety Solutions s.r.o	465,492	465,492
Super Corporation Limited	260,000	260,000
Super tannery UAE FZE	3,011,035	3,011,035
Associates:		
Secure Safety Limited	6,993,000	6,993,000
Super Tannery Super Italia	74,696	-
Others:		
Banthar Industrial Pollution Control Company	216,000	216,000
Industrial Infrastructure Services (I) Ltd	353,650	353,650
Bovini Frills LLP	75,000	-
Investments-Non Trade		
Others:		
Superhouse Ltd.	52,000	52,000

Payments made to Key Management Personnel and relatives:

Particulars	2016-17	2015-16
Remuneration:		
Directors:		
Mr. Iqbal Ahsan	2,657,600	2,621,600
Mr. Imran Siddiqui	757,500	684,600
Mr. Arshad Khan	458,700	423,600
Mr. Vequaril Amin	2,657,600	2,657,600
Mr. Iftikarul Amin	2,657,600	2,621,600
Mr. Mohd. Imran	458,700	437,100
Other KMP:		
Mr. Mubashirul Amin	743,100	677,100
Mr. Tanveerul Amin	743,100	677,100
Mr. Khalid Sayeed	181,795	167,019
Mr. Umairul Amin	413,900	339,600

38. Capital and other commitments

(Rupees)

Particulars	2016-17	2015-16
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	6,046,850	6,993,893
ii. Other Commitments	NIL	NIL

39. Contingent liabilities

(Rupees)

Particulars	Period	2016-17	2015-16
i. L C issued by the Bank		27,384,437	33,829,636
ii. Guarantee issued by the Bank		NIL	11,734,857
iii. The detail of disputed dues as per the clause ix(b) of Section 227 (4A) of the Act is as follows:			
Income Tax:			
ITAT, Lucknow Bench	A.Y. 2007-08	-	3,054,620
CIT Appeals, Kanpur	A.Y. 2010-11	-	6,111,612
CIT Appeals, Kanpur	A.Y. 2012-13	-	1,500,400
CIT Appeals, Kanpur :	A.Y. 2013-14	863,000	863,000
Asst. Commissioner Service tax Kanpur	A.Y. 2009-10 To 2013-14	3,12,000	3,12,000
High Court, Allahabad Bench	A.Y. 2007-08	30,54,620	-
Asst. Commissioner Service tax Kanpur (Above claims are likely to be decided in favour of the company, hence not provided for)	A.Y. 2014-15	3,80,000	3,80,000
CIT Appeals, Kanpur :	A.Y. 2014-15	12,50,230	-

40. The Company's operation predominantly comprises only one segment i.e. Leather and Leather Products; hence provisions of AS-17 on Segment Reporting is not applicable.

41. During the year under consideration no borrowing cost has been capitalized by the company in accordance with the provisions of AS-16 on Borrowing Costs.

42. The company has incurred Research & Development expenses during the year, the same are immaterial and no future economic benefit will accrue, therefore no expenses have been capitalized.

43. Disclosure in terms of AS-28

The management has carried out an exercise of identifying the assets 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.

44. Disclosure in terms of AS-29

The company has recognised contingent liabilities as disclosed in Note 39 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. Confirmation of Balances with Sundry debtors, creditors, loans and advances and other parties have not been received in few cases.

46. Certain assets 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 under 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 the director of the company.

47. Other Liabilities includes Rs. 2,93,10,000 being advance money received against sale of land at Dehradun.

48. The current assets, loans and advances are approximately of the values stated, if realised in the ordinary course of business. The provisions for all known liabilities adequate and not in excess of the amount considered reasonably necessary.

49. The figures of the previous year have been regrouped/rearranged wherever necessary in order to make them comparable with the figures of the current year. Figures have been rounded off to the nearest rupee. Figures in brackets pertain to previous year.

50. Market value of quoted shares have been calculated on the basis of closing rate of BSE as on 31.03.2017

51. The Arrangement Scheme of the Company between Super Tannery Limited ("STL" or Demerged Company) and Amin Tannery Limited ("ATL or Resulting Company") is in progress. However the Hon'ble High Court Allahabad has given direction to call General Body Meeting of Equity Shareholders, Secured Creditors and un-Secured Creditors.

52. The resolution was passed on 13.08.2015 for incorporation of new 100% subsidiary company named as "Super Italia S.rl." with a capital of EUR 990.00. The proceedings of the same will be completed in next financial year 2016-2017.

53. The central government through Notification No. 244/2017 Dated 30th March, 2017 amends Schedule III of the companies Act, 2013 which requires to disclose the details of specified bank notes (Rs. 500 & 1000 notes) held and transacted during November 8, 2016 to December 30, 2016. The details are as follows:-

PARTICULARS	SBN'S			Other Denomination Notes	Total
	Denominations	Quantity	Amount	Amount	Amount
Closing cash in hand as on 08.11.2016	1,000	2,858	2,858,000	328,049	7,678,049.24
	500	8,984	4,492,000		
(+) Permitted Receipts				7,566,891	7,566,891.40
(-) Permitted Payments				6,722,722	6,722,722.23
(-) Amount deposited in Banks	1,000	2,858	2,858,000	-	7,350,000.00
	500	8,984	4,492,000		
Closing cash in hand as on 30.12.2016					1,172,218.41

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

(R.P. Gupta)
Partner
M.No. 070904

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

CONSOLIDATED ACCOUNTS



INDEPENDENT AUDITOR'S REPORT

To the Members of Super Tannery Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Super Tannery Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated 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 and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group and its associates as at March 31, 2017, and their consolidated profit and loss and their consolidated cash flows for the year ended on that date.

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.708.23 Lacs as at March 31, 2017, total revenues of Rs.343.11 Lacs and net cash flows (decrease) amounting to Rs.4.19 Lacs for the year ended on that date, as considered in the consolidated 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 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as of March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2017 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 Group and the operating effectiveness of such controls, refer to our Report in Annexure A; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note no. 34 to the consolidated financial statements.

ii. The Group and its associate companies incorporated in India did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. 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.

For KAPOOR TANDON & CO.

Chartered Accountants
Firm Registration No. 000952C

R.P.Gupta
PARTNER

Membership No. 070904

Place: Kanpur

Date: May 30, 2017

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 financial statements of Super Tannery Limited (“the Holding Company”) for the year ended March 31, 2017]

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 financial statements of Super Tannery Limited (hereinafter referred to as the Holding Company/the Company) as of and for the year ended March 31, 2017, 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 Holding company 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March, 2017, 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 KAPOOR TANDON & CO.

Chartered Accountants
Firm Registration No. 000952C

R.P. Gupta

PARTNER

Membership No. 070904

Place: Kanpur
Date: May 30, 2017

SUPER TANNERY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	<u>As at 31st March 2017</u> (Rupees)		<u>As at 31st March 2016</u> (Rupees)
I. EQUITY AND LIABILITIES				
1. Shareholders' Funds				
a) Share Capital	3	107,973,360	107,973,360	
b) Reserves and Surplus	4	<u>685,258,490</u>	<u>656,162,332</u>	
		7932,31,850		764,135,692
2. Minority Interest				
			2,563,182	2,461,334
3. Non Current Liabilities				
a) Long Term Borrowings	5	3,624,512	25,462,691	
b) Deferred Tax Liabilities (Net)	6	<u>63,058,544</u>	<u>62,484,571</u>	
			66,683,056	87,947,262
4. Current Liabilities				
a) Short Term Borrowings	7	919,703,030	1,023,340,440	
b) Trade Payables	8	488,907,261	387,562,525	
c) Other Current Liabilities	9	238,819,825	219,971,606	
d) Short Term Provisions	10	<u>12,757,475</u>	<u>11,025,985</u>	
		1,660,187,591		1,641,900,556
TOTAL		<u>2522,665,679</u>		<u>2,496,444,844</u>
II. ASSETS :				
1. Non Current Assets				
(a) Fixed Assets :	11			
(i) Tangible Assets:		666,583,228	713,743,271	
(ii) Intangible Assets		3,531,637	3,551,679	
(iii) Capital Work in Progress		20,226,918	14,207,555	
(iv) Intangible Assets under Development		-	-	
(b) Non Current Investments	12	89,05,922	8,919,342	
(c) Long Term Loans and Advances	13	22,377,414	12,242,784	
(d) Other Non Current Assets	14	<u>433,970</u>	<u>167,466</u>	
			722,059,090	752,832,097
2. Current Assets				
(a) Inventories	15	1,093,319,431	988,158,559	
(b) Trade Receivables	16	465,192,468	487,877,719	
(c) Cash and Bank Balances	17	62,628,519	62,654,732	
(d) Short Term Loans and Advances	18	105,670,607	123,032,038	
(e) Other Current Assets	19	<u>73,795,564</u>	<u>81,889,699</u>	
		1,800,606,589		1,743,612,747
TOTAL		<u>25226,65,679</u>		<u>2,496,444,844</u>
Basis of Consolidation	1			
Significant Accounting Policies	2			

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

(R.P. Gupta)
Partner
M.No. 070904

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	2016-17 (Rupees)	2015-16 (Rupees)
REVENUE			
Revenue from operations (gross)	20	2,357,805,164	2,403,180,382
Less : Excise Duty		<u>7,008,327</u>	<u>4,833,783</u>
Revenue from operations (net)		2,350,796,837	2,398,346,599
Other Income	21	34,202,555	19,793,217
Total Revenue		<u><u>2,384,999,392</u></u>	<u><u>2,418,139,816</u></u>
EXPENSES			
Cost of Material consumed	22	1,639,543,021	1,594,325,156
Purchase of Stock-in-trade	23	76,897,405	124,252,361
(Increase)/decrease in Inventories of Finished Goods, Work-in-Process and Traded Goods	24	(101,899,652)	(47,530,712)
Employee Benefits Expense	25	91,780,493	89,302,309
Finance Costs	26	90,825,747	96,041,753
Depreciation and Amortisation	27	72,985,961	72,735,215
Other Expenses	28	446,318,188	422,459,732
Total Expenses		<u><u>2,316,451,163</u></u>	<u><u>2,351,585,814</u></u>
Profit Before Tax		68,548,229	66,554,002
Tax Expenses			
- Current Tax		22,500,000	27,000,000
- Deferred Tax		573,973	(2,433,318)
- Tax adjustments relating to earlier years		2,540,894	10,837,626
Profit for the year		48,015,150	31,149,695
Less: Profit transferred to minority interest		(24,717)	(21,245)
Net Profit for the year		48,039,867	31,170,940
Earning per Equity Share (EPS)	29		
(Face value of Rs 1 each)			
EPS - Basic (Rupees per Share)		0.44	0.29
EPS - Diluted (Rupees per Share)		0.44	0.29
Basis of Consolidation	1		
Significant Accounting Policies	2		

See the accompanying notes to financial statement

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

(R.P. Gupta)
Partner
M.No. 070904

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	68,306,701	67,065,095
Adjustment for :		
Depreciation	72,985,961	72,735,215
Interest Expense	79,979,705	84,598,812
Interest - Earned	(768,335)	(678,899)
Misc. Expenses written off	9,416	-
Gratuity Payable	-	(3,220,106)
Bad Debts written off	-	43,763
Exchange Fluctuation	-	(22,805,767)
Fixed Assets - Loss on sale	500,148	-
Fixed Assets - Profit on sale	(1,668,973)	(500,185)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	219,344,624	197,237,928
ADJUSTMENTS FOR :		
Trade and Other receivables	43,754,976	26,672,695
Inventories	(105,160,872)	(76,439,422)
Trade and Other Payables	137,469,656	15,013,351
CASH GENERATED FROM OPERATIONS	295,408,384	162,484,552
Interest Paid (Net)	-	(75,465,426)
Income Tax Paid (net of Refunds)	(26,514,775)	(32,257,474)
NET CASH FROM OPERATING ACTIVITIES	268,893,609	54,761,652
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets(including CWIP)	(676,25,431)	(93,967,949)
Sale of Fixed Assets	183,91,937	3,808,117
Investments	13,420	(136,000)
Other Bank Balance	(2,441,339)	
Interest Earned	1,161,137	
Change in Minority Interest	139,621	(21,245)
NET CASH USED IN INVESTING ACTIVITIES	(503,60,656)	(90,317,077)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital	(102,474,145)	121,769,353
Corporate Loan (Net)	-	-
Foreign Currency Loan	(1,163,264)	19,869,141
Term Loan	(37,162,838)	(53,947,334)
Interest paid	(80,320,568)	(9,097,795)
Dividend paid	120,310	(6,116,461)
NET CASH FLOW USED IN FINANCING ACTIVITIES	(221,000,506)	72,476,904
NET INCREASE IN CASH AND CASH EQUIVALENTS	(24,67,552)	36,921,479
OPENING CASH AND CASH EQUIVALENTS	46,340,003	25,733,253
CLOSING CASH AND CASH EQUIVALENTS (Refer Note No. 17)	438,72,451	62,654,732

Basis of Consolidation 1
Significant Accounting Policies 2

See the accompanying notes to financial statement

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

(R.P. Gupta)
Partner
M.No. 070904

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

Place: Kanpur
Dated: 30th May, 2017

R. K. Awasthi
Company Secretary

SUPER TANNERY LIMITED

Notes to Consolidated financial statements for the year ended 31st March 2017

1. BASIS OF CONSOLIDATION

- 1.1 The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as of the company i.e. year ended 31st March, 2017.
- 1.2 The Consolidated financial statements have been prepared in accordance with the Accounting Standard-21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- 1.3 The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the the book values of like items of assets, liabilities, income & expenses. The intragroup balances and transactions are eliminated except unrealized profit or loss on closing stock.
- 1.4 In the case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities (except Share capital) are converted at the rates prevailing at the end of the year.
- 1.5 Exchange difference arising on consolidation is recognized in the Profit & Loss account.
- 1.6 Investments in 100% Foreign subsidiaries have been eliminated with the corresponding Share Capital of the subsidiary company.
- 1.7 In case of associates, where the company directly or indirectly through subsidiaries holds more than 20% of equity, 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, in accordance with the AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements'.
- 1.8 The difference between the cost of investment in the associates, over the net assets of the Associates is recognized in the financial statements as goodwill or capital reserve, as the case may be.
- 1.9 Minority interest in the net assets of the consolidated financial statements consists of amount of equity attributable to the minority members of the subsidiaries.
- 1.10 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 prescribed in the same manner as the Company's separate financial statement.

The subsidiaries (which along with Super Tannery Limited, the parent, constitute the group) considered in the preparation of these consolidated financial statements.

Name of Subsidiary	Country of Incorporation	Percentage of Ownership/ Interest as at 31st March, 2017
1. Super Tannery (U.K.) Limited	United Kingdom	100.00%
2. Aarifi Tanners Limited	India	82.52%
3. Safety Solutions s.r.o.	Slovak Republic	100.00%
4. Super Corporation Limited	India	52.00%
5. Super tannery FZE UAE	UAE	100.00%
6. Super Itallia S.R.L.	Italy	100.00%

- 1.12 The carrying value of Investment in Associates has been taken at Cost .

SUPER TANNERY LIMITED

Notes to Consolidated financial statements for the year ended 31st March 2017

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with the GAAP in India under the historical cost convention, except for certain fixed assets which were revalued, on accrual basis of accounting in accordance with the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

2.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialised.

2.3 Fixed Assets

Fixed Assets, other than those revalued, are stated at their cost of acquisition or construction as the case may be and including all related acquisition/installation expenses and borrowing cost as per Accounting Standard (AS) 16. Subsidy received on Fixed Assets is credited to the cost of respective fixed assets. Assets revalued are stated at their revalued amount. Cost/revalued amount so ascertained is adjusted for accumulated depreciation/amortization and provision for impairment.

2.4 Depreciation

Depreciation on Fixed Assets is provided on 'Straight Line Method' in accordance with the provisions of Schedule II to the Companies Act, 2013 except for leasehold land and intangible assets. Leasehold Land is amortised over the period of lease. Depreciation attributable to appreciation due to revaluation of fixed assets (other than leasehold land) is provided over the remaining useful life of the asset in accordance with Schedule II to the Companies Act, 2013 and equivalent amount is withdrawn from Revaluation Reserve and credited to Statement of Profit and Loss. In case of impaired assets, depreciation is charged on the adjusted cost net of impairment. Intangible Assets are amortised over a period of ten years under the straight line method of amortisation.

2.5 Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to the recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

2.6 Capital work in progress

Capital Work in Progress comprises cost of fixed assets yet to be commissioned and/or in transit, borrowing cost and incidental expenditure during construction period. Expenditure during construction period is allocated to the respective Fixed Assets on completion of the construction period.

2.7 Investments

Long term investments (non current) are carried at cost and provision, if necessary, being made for decline other than temporary in their value. Current investments are carried at lower of cost and market fair value.

2.8 Inventories

Stock of raw materials and chemicals are valued at lower of cost (weighted average) or net realizable value. Stores and spares are valued at lower of cost (FIFO basis) or net realizable value. Stock of work in process is valued at estimated cost. Finished goods (including stock in transit or at port) are valued at lower of cost (determined on Direct cost method) or net realizable value. Stock of trading items is valued at lower of cost (weighted average) or net realizable value. Stock of waste and scrap are valued at estimated realizable value. Stock transferred to other divisions of the company is valued at transfer price. Import entitlements/licenses are valued at estimated realizable value.

2.9 Dividends on Equity Shares

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Board of Directors of the company.

SUPER TANNERY LIMITED

Notes to Consolidated financial statements for the year ended 31st March 2017

2.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements

2.11 Revenue Recognition

- i) Sales are recognized in respect of (a) Exports on shipment of consignment; and (b) others on dispatches of consignment from company premises. Sales are inclusive of excise duty but net of sales tax, returns and discounts. Duty Drawback is accounted for on the basis of export sales effected during the year.
- ii) Revenue is accounted for on accrual basis when its collection or receipt is reasonably certain.
- iii) All expenses are accounted for on accrual basis. However the claims are recognised on settlement.

2.12 Government Grants

Capital subsidy received under Tannery Modernisation Scheme (TMS) is credited to Capital Reserve. Revenue Grants are recognized in the Statement of Profit & Loss in accordance with the related Scheme and in the period in which those accrued.

2.13 Retirement Benefits

Contributions are made to the Provident Fund and Superannuation Funds on actual liability basis. Provision for gratuity liability is made at the end of the year on the basis of actuarial valuation . Provision for leave encashment is made on the basis of total liability of all eligible employees as per the company's scheme.

2.14 Foreign Currency Translations

- i) The reporting currency of the company is Indian rupees.
- ii) Outstanding foreign currency assets and liabilities other than investments are translated at the exchange rate prevailing at the Balance Sheet date. Gains or losses on these assets and liabilities relating to the acquisition of fixed assets are adjusted to the cost of such fixed assets and those relating to other accounts are recognized in the Foreign Currency Translation Reserve. Exchange Difference arising as a result of transactions settled during financial year are included in sales.
- iii) Investments in wholly owned subsidiaries are carried in Balance sheet at the rates prevailing on the dates of transactions.

2.15 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment losses (if any).

2.16 Earning Per Share

Earning per share is calculated in accordance with the procedure laid out in the relevant Accounting Standard (AS) 20 issued by the institute of Chartered Accountants of India.

2.17 Excise Duty

Excise duty is accounted for as and when paid on clearance of goods from bounded premises. No provision is made for excise duty in respect of finished products lying in bounded premises since major sales comprises of export sales.

2.18 Borrowing Cost

Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

2.19 Taxation

Provision for tax on income for the year (i.e. Current Tax) is made after considering the various deductions/reliefs admissible under the Income Tax Act, 1961. Provision for tax effect of timing differences between taxable income and accounting income (i.e. Deferred Tax) is made in accordance with the provisions of Accounting Standard 22, "Accounting for Taxes on Income" .

2.20 Prior Period Items

Prior period items, if material, are disclosed separately.

2.21 Cash Flow Statement

Cash flow statement is prepared in accordance with the "Indirect Method" prescribed in accounting standard -3 on cash flow

SUPER TANNERY LIMITED**Notes to Consolidated financial statements for the year ended 31st March 2017**

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
3. SHARE CAPITAL		
Authorised		
11,00,00,000 Equity Shares of Rs.1/- each	110,000,000	110,000,000
Issued, Subscribed and fully paid up		
10,79,73,360 Equity Shares of Rs.1/- each fully paid up	107,973,360	107,973,360
Total	<u>107,973,360</u>	<u>107,973,360</u>

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year:

Equity shares	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	107,973,360	107,973,360	107,973,360	107,973,360
Changes during the year	-	-	-	-
Outstanding at the end of the year	<u>107,973,360</u>	<u>107,973,360</u>	<u>107,973,360</u>	<u>107,973,360</u>

3.2 Term/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 in proportion to the number of equity shares held by the shareholders.

3.3 Face Value of Equity Shares - sub division / split in preceding five years:

At the annual general meeting held on 30th September 2010, the members of company have approved a stock split i.e. sub-division. Consequently Each equity share of the company having face value of Rs. 2/- each, as existing on Record Date, sub-divided into two equity shares of face value of Rs. 1/- each fully paid up, and the Authorized and Paid up Equity Share Capital of the company changed accordingly.

3.4 Shares held by holding/ultimate holding company and/or their subsidiaries/associates: NIL**3.5 Details of shareholders holding more than 5% shares in the company**

Name of the Share Holder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	% held	No. of Shares	% held
1) Veqarul Amin	17,883,900	16.56%	17,883,900	16.56%
2) Iqbal Ahsan	9,142,502	8.47%	9,142,502	8.47%
3) Iftikharul Amin	9,080,432	8.41%	9,080,432	8.41%

SUPER TANNERY LIMITED

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	<u>As at 31st March 2017</u>		<u>As at 31st March 2016</u>	
	(Rupees)		(Rupees)	
4. RESERVES AND SURPLUS				
Capital Reserves				
Balance as per last Balance Sheet	1,767,180		1,767,180	
Add: Pre acquisition profit on Investment in Subsidiary	<u>1,192,232</u>	<u>2,959,412</u>	<u>1,192,232</u>	2,959,412
Capital Subsidy under Tannery Modernisation Scheme				
Balance as per last Balance Sheet	29,400,697		29,400,697	
Add: Capital Subsidy received during the year under TMS	<u>-</u>	<u>29,400,697</u>	<u>-</u>	29,400,697
Securities Premium Reserve				
Balance as per last Balance Sheet		27,017,760		27,017,760
Revaluation Reserve				
Balance as per last Balance Sheet	18,715,237		18,756,231	
Less: Adjustment related to Fixed Assets (Refer Note 10.3)	18,715,237			
Less: Amount transferred to the Statement of profit and loss as reduction from depreciation	<u>-</u>	-	<u>40,994</u>	18,715,237
General Reserves				
Balance as per last Balance Sheet	570,000,000		540,000,000	
Add : From the Statement of Profit and Loss	<u>-</u>	<u>570,000,000</u>	<u>30,000,000</u>	570,000,000
Surplus in the Statement of profit and loss				
Balance as per last Balance Sheet	9,274,515		8,094,069	
Add: Profit for the year	48,039,867		31,170,940	
Less: Adjustment related to Fixed Assets (Refer Note 10.3)			-	
Less: Pre acquisition profit on investment in subsidiary	(1,192,232)		(1,192,232)	
Add: Share of Profits of Associate	<u>(241,529)</u>		<u>(3,550)</u>	
	55,880,621		38,069,227	
Less: Appropriations				
Transfer to General Reserve	<u>-</u>	<u>55,880,621</u>	<u>30,000,000</u>	8,069,227
TOTAL		<u><u>685,258,490</u></u>	<u><u>656,162,333</u></u>	

SUPER TANNERY LIMITED

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
5. LONG TERM BOROWINGS		
Secured		
Term loans		
Rupee Loans		
Term Loan from State Bank of India	-	16,307,437
<u>Vehicle Loan</u>		
UCO Bank	3,464,062	6,637,365
State bank of India	160,450	2,517,889
TOTAL	<u><u>3,624,512</u></u>	<u><u>9,155,254</u></u>
	<u><u>3,624,512</u></u>	<u><u>25,462,691</u></u>

5.1 Term loan from bank:

(i) T2-Rs.3.00 crore: Carries interest @ 12.55% p.a. The loan repayment of term loan was to be done in 11 quarterly installment out of which 9 installments have already been paid up 31.03.2017, remaining 3 installments will be paid as per detail given below:-

(A) Next 3 installments of Rs. 30 Lacs each (From 30.06.2017 to 31.12.2017)

5.2 Vehicles Loans are repayable in equated monthly instalments ranging from 36 to 83 EMIs.

5.3 The Term loan is secured by first charge over entire fixed assets (both present and future, except vehicles financed by other Banks/FIs) of the Company, extension of charge on current assets of the Company, corporate guarantee of a subsidiary Aarifi Tanners Limited. Loans are secured further by personal guarantee of promoter director(s) and shares pledged with State Bank of India (as given below).

Name of the Share Holder	No. of Shares Held	% Held	No. of Shares Pledged	% Pledged
1) Mr. Veqarul Amin	17,883,900	16.56%	7,654,200	42.80%
2) Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	100.00%
3) Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	100.00%
4) Mrs. Ismat Iqbal	3,082,800	2.86%	3,082,800	100.00%
5) Mrs. Sophia Amin	3,458,400	3.20%	3,288,472	95.09%

5.4 Vehicle loans are secured by hypothecation of vehicle financed.

6. DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability

on account of

Depreciation

64,306,981

64,306,981

68,178,018

68,178,018

Gross deferred tax liability

Deferred Tax Assets

on account of

Expenses covered u/s 43B/Non deduction of
TDS u/s 40(a)(ia)

1,248,437

1,248,437

5,693,447

5,693,447

Gross deferred tax assets

Net Deferred Tax Liability @

63,058,544

62,484,571

@ Deferred tax asset has been recognized and carried to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets are realised. Deferred Tax Assets and Deferred Tax Liabilities have been set off in accordance with clause 29 of AS - 22.

SUPER TANNERY LIMITED

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)		
7. SHORT TERM BORROWING				
Secured				
Working Capital Loans				
Rupee Loan				
<i>from State Bank of India</i>				
a) Cash Credit	43,006,953	70,851,824		
b) Packing Credit	775,984,463	826,738,129		
c) Advance against bills sent on collection	<u>74,339,585</u>	<u>98,215,194</u>		
	893,331,001	995,805,147		
Foreign Currency Loan				
<i>from State Bank of India</i>				
a) Buyers Credit	26,372,029	27,535,293		
TOTAL	<u><u>919,703,030</u></u>	<u><u>1,023,340,440</u></u>		
7.1 Working Capital Loan from State Bank of India is secured by hypothecation of Inventories & Book Debts, extension of charge on entire fixed assets (both present & future) of the Company and corporate guarantee of a subsidiary Aarifi Tanners Limited. Loans are secured further by personal guarantee of promoter director(s) and shares pledged with State Bank of India (as given below).				
	No. of Shares Held	% Held	No. of Shares Pledged	% Pledged
1) Mr. Veqarul Amin	17,883,900	16.56%	17,883,900	100.00%
2) Mr. Iqbal Ahsan	9,142,502	8.47%	9,142,502	100.00%
3) Mr. Iftikharul Amin	9,080,432	8.41%	9,080,432	100.00%
4) Mrs. Ismat Iqbal	3,082,800	2.86%	3,082,800	100.00%
5) Mrs. Sophia Amin	3,458,400	3.20%	3,458,400	100.00%
8. TRADE PAYABLES				
Sundry Creditors	488,907,261	387,562,525		
TOTAL	<u><u>488,907,261</u></u>	<u><u>387,562,525</u></u>		
Due to a Company in which one of the Director is interested (Director(s) are having shares and are Director in Associate Company) (Refer Note 32)	5,000	4,112,946		
8.1 The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). According to the information available with the company there was no amount (principal and/or interest) due to any micro/small enterprises (SME as defined in the Act) as at the end of the year. There is no delay in payment to SME during the year. No interest was paid/payable on account of delay in payment to SME during the year in terms of Section 16 of the Act.				
9. OTHER CURRENT LIABILITIES				
Current maturity of long term secured borrowings (refer note 5.1 to 5.4)	11,115,744	26,440,403		
Interest accrued but not due on borrowings	116,848			
Interest accrued and due on borrowings	-	457,711		
Book overdraft with banks	15,010,419	22,734,779		
Security Deposit	10,000	10,000		
Advance from Customers	89,154,060	64,886,730		
Unpaid dividend (refer Note 9.1)	2,141,145	2,020,835		
Other Liabilities	121,271,609	103,421,149		
TOTAL	<u><u>238,819,825</u></u>	<u><u>219,971,606</u></u>		
9.1 There are no amounts due for payment to Investor Education & Protection Fund under Section 205C of the Act as at the year end.				
10. SHORT TERM PROVISIONS				
Provision for Gratuity	12,757,475	11,025,985		
Proposed Final Dividend	-	-		
Provision for Dividend Distribution Tax	-	-		
TOTAL	<u><u>12,757,475</u></u>	<u><u>11,025,985</u></u>		

DESCRIPTION	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK			
	AS AT 01.04.2016	ADDITIONS	SALES/ ADJ.	AS AT 31.03.2017	UP TO 31.03.2016	FOR THE YEAR	On Sale	UP TO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
A: Tangible Assets:										
Land Leasehold	7,359,349	-	-	7,359,349	932,451	74,337	-	1,006,788	6,352,561	6,426,898
Land Freehold	42,611,178	-	17,396,063	25,215,115	-	-	-	-	25,215,115	42,611,178
Building	244,356,179	4,782,671	6,519,736	242,619,114	71,789,633	6,502,865	5,113,891	73,178,607	169,440,507	172,566,547
Plant and Equipments	872,077,059	52,634,914	2,851,362	921,860,611	447,847,007	55,208,226	1,293,247	501,761,986	420,098,625	424,230,052
Furniture & Fittings	20,878,094	1,624,719	-	22,502,813	9,934,645	1,651,895	-	11,586,540	10,916,274	10,943,449
Vehicles	90,574,587	2,563,764	28,195,806	64,942,545	33,609,440	9,528,596	12,755,637	30,382,399	34,560,146	56,965,147
TOTAL (A)	1,277,856,446	61,606,068	54,962,967	1,284,499,547	564,113,175	72,965,919	19,162,775	617,916,319	666,583,228	713,743,271
B: Intangible Assets:										
Goodwill	3,370,142	-	-	3,370,142	-	-	-	-	3,370,142	3,370,142
Website Development	50,562	-	-	50,562	9,606	4,803	-	14,409	36,163	40,956
Trademark	160,414	-	-	160,414	19,832	15,239	-	35,071	125,343	140,582
TOTAL (B)	3,581,118	-	-	3,581,118	29,439	20,042	-	49,481	3,531,637	3,551,679
TOTAL (A+B)	1,281,437,564	61,606,068	54,962,967	1,288,080,665	564,142,614	72,985,961	19,162,775	617,965,800	670,114,865	717,294,950
PREVIOUS YEAR	1,186,952,442	100,960,021	6,474,899	1,281,437,564	494,533,372	72,776,209	3,166,967	564,142,614	717,294,950	692,419,070

11.1 Super Tannery (UK) Limited & Aarifi Tanners Limited is following the Written Down Value method of depreciation as against the Straight Line Method is being followed by the parent company and other subsidiaries.

11.2 During the year, in terms of para 91 of AS-10, outstanding amount of Revaluation Reserve as at 31.03.2016 amounting to Rs. 187,15,237 has been adjusted from carrying amount of respective asset (included in adjustment column in the chart) as the company has opted the "Cost Model" as prescribed therein. Since the depreciation attributable to revaluation was being adjusted from Revaluation Reserve, it has no impact on Depreciation (Net of adjustment on account of revaluation) charged to the Statement of Profit and Loss and profits for the year.

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)	
12. NON CURRENT INVESTMENTS			
<i>(Long Term Investments)</i>			
Non Trade (valued at cost unless stated otherwise)			
EQUITY SHARES - UNQUOTED			
Superhouse Overseas Limited 5,000 (5,000) Equity Shares of Rs.10/- each fully paid up	50,000	50,000	
Al-Barr Finance House limited 30,000 (30,000) Equity Shares of Rs. 10/- each fully paid up	300,000	300,000	
Svit Pronext Machines Private Limited 8,500 (8,500) Equity Shares of Rs. 10/- each fully paid up	85,000	85,000	
Industrial Infrastructure Services (India) Limited 52,645 (52,645) Equity Shares of Rs. 10/- each fully paid up	526,450	526,450	
Kanpur Unnao leather Cluster Development Co, Ltd 60,000 (60,000) Equity Shares of Rs. 10/- each fully paid up	750,000	600,000	
Banthar Industrial Pollution Control Company 21,600 (21,600) Equity Shares of Rs. 10/- each fully paid up	216,000	216,000	
Secure Safety Limited * 6,99,300 (6,99,300) Equity Shares of Rs 10/- each fully paid up (Cost of Investment including Capital Reserve Rs.1,60,822/- arising on acquisition of Associates) Add: Share of post acquisition profit	6,993,000 <u>6,751,472</u>	6,993,442 <u>(3,550)</u>	
Leather Cluster Development 10,000 (10,000) Equity Shares of Rs. 10/- each fully paid up	100,000	100,000	
Investment in Partnership Firm			
Bovini Frills LLP 15% in the capital of the LLP	75,000		
Total (A)	8,853,922	8,867,342	
Non Trade (valued at cost unless stated otherwise)			
EQUITY SHARES - QUOTED			
Superhouse Limited 5,200 (5,200) Equity Shares of Rs. 10/- each fully paid.	52,000	52,000	
Total (B)	<u>52,000</u>	<u>52,000</u>	
TOTAL (A+B)	<u>8,905,922</u>	<u>8,919,342</u>	
Book value of Quoted Investments (Net of Provisions)	52,000	52,000	
Book value of Unquoted Investments	8,853,922	8,867,342	
Market value of Quoted Investments (Refer Note 40)	746,980	720,200	
* Refer Note 1.12			
Details of Partners, Capital and Profit Sharing Ratio in LLP :			
Name of Partners	Profit Sharing Ratio	Capital as on 31.03.2017	Capital as on 31.03.2016
Mr. Shahbhz Khan	55%	275,000.00	-
M/S Super Tannery Ltd.	15%	75,000.00	-
Mr. Iftikharul Amin	15%	75,000.00	-
Mr. Iqbal Ahsan	15%	75,000.00	-
13. LONG TERM LOANS & ADVANCES (unsecured considered good)			
Security Deposits	5,103,742	4,927,355	
Advance to Supplier	12,709,037	2,908,541	
Other Loan & Advances	4,564,635	4,406,889	
TOTAL	<u>22,377,414</u>	<u>12,242,784</u>	
14. OTHER NON CURRENT ASSETS			
Miscellaneous Expenditure (to the extent not written off or adjusted) - Preliminary Expenses	- 433,970	9,416 158,050	
TOTAL	<u>433,970</u>	<u>167,466</u>	

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	As at 31st March 2017 (Rupees)	As at 31st March 2016 (Rupees)
15. INVENTORIES		
(valued at lower of cost and net realisable value)		
Raw Materials	210,760,763	175,111,247
Work in Progress (refer Note 30)	406,530,677	453,026,694
Finished Goods* (refer Note 31)	351,698,154	207,141,106
(including Stock at Port Rs. 61651296.97. Previous Year 15680216.63)		
Stock of Waste & Scrap	20,048,938	8,477,462
Chemicals, Components and Spare Parts	104,280,899	138,113,739
TOTAL	1,093,319,431	988,158,559
*Finished Goods includes Stock in Trade also.		
16. TRADE RECEIVABLES		
(Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	115,652,891	67,302,208
Others		
Considered Good	349,539,577	420,575,511
TOTAL	465,192,468	487,877,719
17. CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash in Hand	1,278,448	3,311,799
(as Certified by the Management)		
Cheques in hand/Remittance in Transit	4,533,440	154,283
Balances with Scheduled Banks in:		
- Current Accounts	35,983,001	40,837,245
- Foreign Currency Account (EEFC A/C)	2,077,561	2,036,675
	43,872,451	46,340,003
Other bank balances		
Margin Money Deposit Accounts	16,614,923	14,293,894
Unpaid Dividend Account	2,141,145	2,020,835
TOTAL	62,628,519	62,654,732
18. SHORT TERM LOANS & ADVANCES		
(Unsecured considered good)		
Advance Tax	29,146,025	27,090,356
Less: Provision for Tax	22,500,000	27,000,000
	6,646,025	90,356
Advance recoverable in cash or kind or for value to be received	99,024,582	122,941,682
TOTAL	105,670,607	123,032,038
19. OTHER CURRENT ASSETS		
(Unsecured considered good)		
Interest accrued but not due on borrowings	-	392,802
Export Incentive Receivable	49,467,675	57,572,791
Other Current assets	24,327,890	23,785,948
Assets held for Sales (Valued at net realisable value)	-	138,158
TOTAL	73,795,564	81,889,699

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
20. REVENUE FROM OPERATIONS		
Revenue from operations		
Sale of Leather & Leather Products		
- Sales (Export)	1,641,952,017	1,667,257,238
- Sales (Others)	560,445,918	564,977,729
- Exchange Fluctuation	14,759,581	25,716,187
Export Incentives (refer Note 20.1)	140,647,649	145,229,228
Revenue from operations (gross)	2,357,805,164	2,403,180,382
Less: Excise duty	7,008,327	4,833,783
Revenue from operations (net)	2,350,796,837	2,398,346,599
20.1 Details of Export Incentives		
Duty Draw Back	116,269,457	115,171,285
Other Export Incentives / licences	24,378,192	30,057,944
TOTAL	140,647,649	145,229,228
21. OTHER INCOME		
Interest from Fixed Deposit with Banks	768,335	678,899
Commission Received	5,195,915	78,457
Profit on Sale of Fixed Assets	1,668,973	500,185
Excess Provisio written back	14,574,132	9,111,143
Exchange Fluctuation	8,798,970	(1,892,004)
Miscellaneous Income	3,196,231	11,316,536
TOTAL	34,202,555	19,793,217
22. DETAIL OF MATERIAL CONSUMED		
<u>Raw Material consumed</u>		
Opening Stock	181,399,559	172,089,775
Add: Purchase	1,108,572,166	1,093,489,387
	1,289,971,724	1,265,579,162
Less: Closing Stock	218,493,618	181,399,559
Raw Material consumed	1,071,478,107	1,084,179,603
Chemicals consumed	389,031,769	422,658,491
Stores & Spares consumed	179,033,145	87,487,062
Cost of material consumed *	1,639,543,021	1,594,325,156
* Cost of Materials consumed is based on derived values.		
23. PURCHASE OF STOCK-IN-TRADE		
Finished Goods	28,116,765	86,428,077
Trading Items	48,780,639	37,824,284
TOTAL	76,897,405	124,252,361
24. DECREASE/(INCREASE) IN INVENTORIES		
Inventories at the beginning of the year		
Finished Goods	207,141,106	268,500,296
Stock of Waste & Scrap	8,477,462	5,012,546
Work in Progress	453,026,694	347,601,708
TOTAL 'A'	668,645,262	621,114,550
Inventories at the end of the year		
Finished Goods	343,965,299	207,141,106
Stock of Waste & Scrap	20,048,938	8,477,462
Work in Progress	406,530,677	453,026,694
TOTAL 'A'	770,544,914	668,645,262
Decrease/(Increase) in Stocks (A-B)	(101,899,652)	(47,530,712)

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
25. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages and Bonus	63,036,360	60,391,755
Directors Remuneration	9,647,700	9,446,100
Contribution to Provident and other funds	14,508,131	14,530,135
Workmen and Staff Welfare expenses	4,588,303	4,934,319
TOTAL	91,780,493	89,302,309
26. FINANCE COSTS		
Interest on		
- Term Loan	3,632,320	8,961,618
- Others	76,347,385	75,637,194
	<u>79,979,705</u>	<u>84,598,812</u>
Bank Charges	1,147,747	9,481,228
Foreign Bank Charges	9,698,295	1,961,713
TOTAL	90,825,747	96,041,753
27. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets	72,985,961	72,776,209
Less: recoumment from revaluation reserve	-	40,994
TOTAL	72,985,961	72,735,215
28. OTHER EXPENSES		
Manufacturing Expenses		
Wages & Bonus (including Job Charges)	135,602,585	118,331,015
Power and Fuel	69,496,926	69,158,458
Pollution Control Expenses	3,978,155	3,617,029
Import Expense	1,306,837	1,601,716
Repairs and Maintenance	-	-
- Building	5,667,150	3,850,280
- Machinery	7,655,222	7,864,611
	<u>223,706,875</u>	<u>204,423,108</u>
Selling and Distribution Expenses		
Packing & Forwarding	34,733,680	26,151,644
Freight & Cartage	54,264,345	45,537,330
Commission on Sale	34,752,884	44,457,528
Advertisement and Publicity	640,115	1,086,608
Sample Expenses	46,093	9,113
Business Promotion	-	14,911
Custom Inspection Charges	182,800	216,888
Exchange Fluctuation	7,026,436	1,018,416
Bad Debts - Provision/write off	-	43,763
	<u>131,646,352</u>	<u>118,536,202</u>
Establishment Expenses		
Rent	2,874,790	2,368,542
Rates and Taxes	6,506,637	7,877,099
Insurance	5,980,031	5,663,471
E.C.G.C. Premium	8,728,253	10,383,717
Communication cost	6,080,396	5,683,456
Travelling and Conveyance	24,532,302	25,193,445
Car Expenses	235,444	278,287
Claim Paid	-	106,840
Repairs and Maintenance - Others	7,791,111	8,683,518
Renewal of Trade License	1,318,116	1,268,866
Printing and Stationery	1,620,444	1,357,673
Legal and Professional Charges	2,226,516	3,891,001
Accounting Fees	105,252	237,024
Auditor's Remuneration (refer Note 28.1)	685,890	783,069
Miscellaneous Expenses	19,245,498	21,548,645
Research & Development Expenses	256,655	600,633
Social Security	33,048	53,998
CSR EXPENDITURE	1,050,000	1,650,000
Subscription and Donation	1,194,431	1,197,550
Loss on account of theft	-	-
Loss on Sale of Fixed Assets	500,148	673,590
	<u>90,964,960</u>	<u>99,500,422</u>
TOTAL	446,318,188	422,459,732
28.1 Payment to auditors'		
As Auditors':		
Audit Fees (including Tax Audit)	484,347	423,650
In other capacity:		
Taxation & other services	195,643	370,668
TOTAL	679,990	794,318

Notes to Consolidated financial statements for the year ended 31st March 2017

Particulars	2016-17 (Rupees)	2015-16 (Rupees)
29. Earning per share (EPS)		
Profit for the year	48,039,867	31,170,940
Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS	107,973,360	107,973,360
Nominal value of equity shares (Rs.)	1.00	1.00
EPS- Basic and diluted (Rs.)	0.44	0.29
30. Closing Inventory of Work-in-Progress		
Leather and Leather Products	406,530,677	453,026,694
TOTAL	406,530,677	453,026,694
31. Closing Inventory of Finished Goods		
Leather and Leather Products	343,965,299	207,141,106
TOTAL	343,965,299	207,141,106

32. The related party disclosure in accordance with AS 18 'Related Party Disclosures' issued by ICAI, is given below:

A. Relationship

i. Joint Ventures, Associates & Entities:

Joint Venture: Nil

Associates & Entities:

Secure Safety Limited

ii. Key Management Personnel (KMP) & Relatives:

Mr. Iftikharul Amin (Managing Director)

Mr. Iqbal Ahsan (Joint Managing Director)

Mr. Veqarul Amin (Joint Managing Director)

Mr. Imran Siddiqui (Whole-time Director)

Mr. Arshad Khan (Whole-time Director)

Mr. Mohd. Imran (Whole-time Director)

Mr. Mubasherul Amin (Son of Mr. Iqbal Ahsan)

Mr. Tanveerul Amin (Son of Mr. Iftikharul Amin)

Mr. Umairul Amin (Son of Mr. Iqbal Ahsan)

Mr. Khalid Sayeed (Brother of Mr. Imran Siddiqui)

iii. Others: Enterprise over which KMP or relatives of KMP are able to exercise significance influence:

Super Shoes Limited

Amin Tannery Limited

Amin Colonizers & Developers Ltd

Banthar Industrial Pollution Control Company

Industrial Infrastructure Services (I) Ltd

Super House Limited

Bovini Frills LLP

B. The following transactions were carried out with related parties in the ordinary course of business during the year:

Particulars	(Rupees)	
	Others	
	2016-17	2015-16
Purchases of Materials/Finished Goods	10,804,738	20,475,775
Sale of Materials/Finished Goods	52,713,890	63,252,624
Services Rendered	1,847,389	193,455
Services availed	231,001	1,669,758
Rent Paid	110,000	-
Balances at the end of the year:		
Trade Receivables	26,647,587	21,656,135
Trade Payables	5,000	4,112,946
Advance from Customers	414,901	414,901
Loans & Advances	188,083	-
Investments-Trade	7,712,346	7,562,650
Investments-Non Trade	52,000	52,000
	-	-

Notes to Consolidated financial statements for the year ended 31st March 2017

Key Management Personnel and relatives:		(Rupees)	
Particulars	2016-17	2015-16	
Remuneration			
- Directors	9,647,700	9,446,100	
- Other Key Management Personnels	2,081,895	1,860,819	
Dividend paid			
- Directors	-	-	
- Other Key Management Personnels	-	-	

Particulars	2016-17	(Rupees)	
		2015-16	
Sale of Materials/Finished Goods:			
Super Shoes Limited	47,537,234	61,627,207	
Secure Safety Limited	-	120,950	
Superhouse Ltd.	1,335,754	1,504,467	
Bovini Frills LLP	3,840,902	-	
Purchase of Materials/Finished Goods:			
Secure Safety Limited	-	20,292,615	
Superhouse Ltd.	468,000	183,160	
Super Shoes Limited	10,336,738	-	
Services Rendered			
Superhouse Ltd.	52,340	73,455	
Super Shoes Ltd.	-	120,000	
Banthal Industrial Pollution Control Company	1,795,049	-	
Services Availed			
Banthal Industrial Pollution Control Company	-	1,429,404	
Industrial Infrastructure Services (I) Ltd	107,077	109,453	
Superhouse Ltd.	123,924	130,901	
Super Shoes Limited	-	-	
Rent Paid			
Super Shoes Ltd.	110,000	-	
Trade Recievables			
Super Shoes Limited	22,851,012	21,238,117	
Secure Safety Limited	-	255,650	
Banthal Industrial Pollution Control Company	-	-	
Superhouse Ltd.	757,778	162,368	
Bovini Frills LLP	3,038,797	-	
Trade Payables			
Secure Safety Limited	-	4,007,706	
Banthal Industrial Pollution Control Company	5,000	91,865	
Industrial Infrastructure Services (I) Ltd	-	13,375	
Advance from Customers			
Secure Safety Limited	414,901	414,901	
Loans & Advances			
Super Tannery Super Italia	188,083	-	
Investments			
Banthal Industrial Pollution Control Company	216,000	216,000	
Secure Safety Limited	6,993,000	6,993,000	
Super Tannery Super Italia	74,696	-	
Bovini Frills LLP	75,000	-	
Industrial Infrastructure Services (I) Ltd	353,650	353,650	
Investments - Non Trade			
Superhouse Ltd.	52,000	52,000	

Payments made to Key Management Personnel and relatives:

Particulars	2016-17	2015-16	
Remuneration:			
Directors:			
Iqbal Ahsan	2,657,600	2,621,600	
Mr. Imran Siddiqui	757,500	684,600	
Mr. Arshad Khan	458,700	423,600	
Vequaril Amin	2,657,600	2,657,600	
Iftikarul Amin	2,657,600	2,621,600	
Mohd. Imran	458,700	437,100	
Other KMPs:			
Mubashirul Amin	743,100	677,100	
Tanveerul Amin	743,100	677,100	
Khalid Sayeed	181,795	167,019	
Mr. Umairul Amin	413,900	339,600	

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

33. Capital and other commitments

(Rupees)

Particulars	2016-17	2015-16
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	6,046,850	6,993,893

34. Contingent liabilities

Particulars		2016-17	2015-16
Contingent Liabilities in respect of:			
i. L C issued by the Bank		27,384,437	33,829,636
ii. Guarantees issued by the Bank		NIL	11,734,857
iii. The detail of disputed dues as per the clause ix(b) of Section 227 (4A) of the Act is as follows:			
Income Tax:			
ITAT, Lucknow Bench	A.Y. 2007-08	-	3,054,620
CIT Appeals, Kanpur	A.Y. 2010-11	-	6,111,612
CIT Appeals, Kanpur	A.Y. 2012-13	-	1,500,400
CIT Appeals, Kanpur	A.Y. 2013-14	863,000	863,000
Asst. Commissioner Service tax Kanpur	A.Y. 2009-10 To 2013-14	312,000	312,000
HighCourt, Allahabad Bench	A.Y. 2007-08	3,054,620	-
Asst. Commissioner Service tax Kanpur	A.Y. 2014-15	380,000	380,000
(Above claims are likely to be decided in favour of the company, hence not provided for)			
CIT Appeals, Kanpur :	A.Y. 2014-15	1,250,230	-

35. The group's operation predominantly comprises only one segment i.e. leather and leather Products, therefore, Segment Reporting as per Accounting Standard (AS-17) issued by the Institute of Chartered Accountants of India is not applicable.

36. Confirmation of Balances with Sundry debtors, creditors, loans and advances and other parties have not been received in few cases.

37. The company has incurred in Research & Development expenses during the year, the same are immaterial and no future economic benefit will accrue, therefore no expenses have been capitalized.

38. The current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount considered reasonably necessary.

39. The Arrangement Scheme of the Company between Super Tannery Limited ("STL" or Demerged Company) and Amin Tannery Limited ("ATL or Resulting Company") is in progress. However the Hon'ble High Court Allahabad has given direction to call General Body Meeting of Equity Shareholders, Secured Creditors and un-Secured Creditors.

40. The resolution was passed on 13.08.2015 for incorporation of new 100% subsidiary company named as "Super Italia S.rl." with a capital of EUR 990.00. The proceedings of the same has been completed in current financial year 2016-2017.

41. 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 disclosures has been made in respect of dues to Micro and Small Enterprises:

Particulars	2016-17	2015-16
(a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of the year		
Principal Amount	NIL	NIL
Interest due on above	NIL	NIL
(b) Amount of interest paid by the company in terms of section 16 of the MSMED Act, along with	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have		
(d) the amount of interest accrued and remaining unpaid at the end of the year	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

42. The figures of the previous year have been regrouped/rearranged wherever necessary in order to make them comparable with the figures of the current year. Figures have been rounded off to the nearest rupee. Figures in brackets pertain to previous year.

The accompanying notes form an integral part of these financial statements.

As per our report of even date
For Kapoor Tandon & Co.,
Chartered Accountants
Firm Reg. No. 000952C

For and on behalf of the Board of Directors

(R.P. Gupta)
Partner
M.No. 070904
Place: Kanpur
Dated: 30th May, 2017

Mohd. Imran
Director (Finance)

Iftikharul Amin
Managing Director

R. K. Awasthi
Company Secretary

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 here by record my presence at the 33rd Annual General Meeting of the company held on 29th September 2017.

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) Rule,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 33rd Annual **General Meeting** of the Company, to be held on Friday , September 29 2017 at 09.A.M. at 187/170 Jajmau Kanpu -208010 and at any adjournment thereof in respect of such resolutions as are indicated below:

** 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, 2017 together with the Reports of the Board of Directors and Auditors.		
2. Re-appointment of Mr.Arshad Khan, who retires by rotation and being eligible, offers himself for re-appointment.		
3. Re-appointment of Mr.Mohd.Imran, who retires by rotation and being eligible, offers himself for re-appointment.		
4. Appointment of M/s Rejeev Prem & Associates Chartered Accountants (Registration No (008905C) in place of M/S Kapoor Tandon & Co,Chartered Accountants,having ICAI Firm registration No 000952C a retiring Auditor ,as Statutory Auditors of the Company for a period of 5 years.		
SPECIAL BUSINESS		
5. 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 _____ 2017

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.

BOOK POST

If Undelivered, Please return to :
SUPER TANNERY LIMITED
187/170, Jajmau Road, Kanpur-208010